

The NATIONAL UNDERWRITER

Life Insurance Edition

The President's Trophy Winner answers some questions about

what's behind the success of a New England Mutual general agency

It's the ambition of every New England Mutual General Agent to win the coveted President's Trophy — an annual award for the most successful general agency. This year the honors go to the Bruce Bare agency in Los Angeles. Formerly a partner of Payton, Dunn and Bare, Mr. Bare shouldered full responsibility as general agent two years ago. He has been prominently associated with C.L.U. activities in Los Angeles.



What's the major contribution a general agent can make to the success of his agency?

"He can help his agents spend more time *selling* life insurance. For instance, our larger general agencies have a staff of technicians to do the planning, programming, and other detailed work. The agent can call on these experts for advice either in the office or in the field. And every agent has access to clerical help. All these services give the agent more time to devote to his clients and his prospects."

What sort of financial support do you give your new agents?

"A generous financing arrangement is an integral part of New England Mutual's manpower program. You see, company methods of selecting and training assure us agents of the highest caliber. Adequate financial support gets them off to a good start."

What sales backing does the company give you?

"Plenty. An effective national advertising campaign. A comprehensive, hard-working sales promotion program with visual sales aids and direct mail. Then, of course, we have a broad line to work with and our limits have recently been raised. But perhaps most important of all, is the extraordinary liberality of the New England Mutual contract, itself."

How about your brokerage business?

"Brokerage and surplus business is important to us. And the New England Mutual contract puts us in a strong position. We've handled a lot of business from outside the Company for a good number of years. I think that's a testimonial to our helpful and efficient service."

The NEW ENGLAND

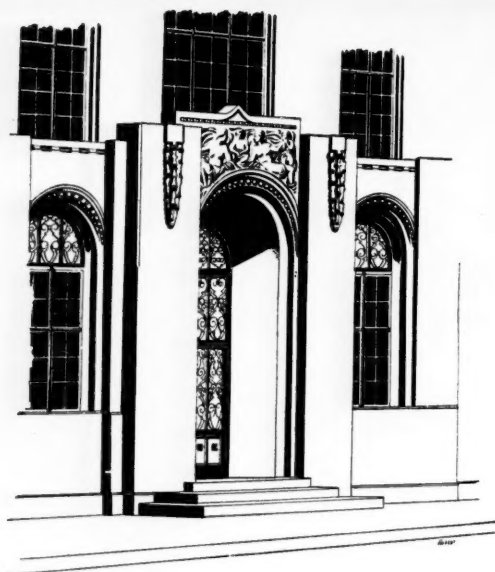


MUTUAL

Life Insurance Company of Boston

THE COMPANY THAT FOUNDED MUTUAL LIFE INSURANCE IN AMERICA—1835

FRIDAY, APRIL 15, 1955



Royal Neighbors OF AMERICA

LEGAL RESERVE FRATERNAL LIFE INSURANCE

60th ANNUAL REPORT FOR THE YEAR ENDING DECEMBER 31, 1954

The year of 1954 was a period of successful operation for Royal Neighbors of America as a fraternal life insurance society. Significant statistics for last year follow:

Insurance in force increased \$5,004,275 to a total of \$420,054,129.

New insurance sold amounted to \$22,200,500.

Admitted assets advanced to a total of \$152,490,455.07, an increase of \$5,207,274.25.

The net interest earned increased to 3.48 per cent, compared

to 3.45 per cent in 1953.

Unassigned funds amounted to \$16,793,656.38, an increase of \$1,299,526.26.

Dividends paid amounted to \$1,815,143.57, an increase of \$135,461.29.

Benefits paid amounted to \$7,111,797.25, an increase of \$144,731.58. Benefits paid since organization amounted to \$190,871,640.44.

Membership totaled 557,109.

Condensed Balance Sheet of Royal Neighbors of America as of December 31, 1954

ADMITTED ASSETS

CASH	\$ 2,244,019.36
UNITED STATES GOVERNMENT BONDS.....	17,902,695.03
MUNICIPAL BONDS	56,801,374.59
Tax secured, \$12,807,701.40, and revenue secured, \$43,993,673.19.	
PUBLIC UTILITY BONDS.....	25,546,595.34
Operating companies.	
INDUSTRIAL AND MISCELLANEOUS BONDS.....	5,046,660.65
STOCKS	8,213,496.35
\$7,537,589.00 preferred; \$675,907.35 common.	
FIRST MORTGAGE LOANS ON REAL ESTATE.....	32,784,104.22
Conventional \$17,672,962.46; F.H.A. \$4,885,335.71; G.I. \$10,225,806.05.	
SUPREME OFFICE BUILDING.....	\$447,895.67
ROYAL NEIGHBOR HOME.....	261,438.69
CERTIFICATE LOANS	1,706,264.27
Money owed the Society by members on account of loans made to them on the security of their certificates.	
INTEREST DUE AND ACCRUED.....	1,129,661.13
PREMIUMS IN COURSE OF COLLECTION.....	377,329.03
MISCELLANEOUS ASSETS	28,920.74
TOTAL ADMITTED ASSETS.....	\$152,490,455.07
These assets are valued on basis prescribed by National Association of Insurance Commissioners.	

LIABILITIES

CERTIFICATE RESERVES—computed at 2½% on the basis of the Commissioners' 1941 Standard Ordinary mortality table....	\$129,337,122.37
Funds which, with interest and future premiums, will pay all certificate claims as they become due.	
DEATH CLAIMS AND MATURED ENDOWMENTS.....	277,204.45
Funds set aside for payment of claims in process of adjustment and for those incurred but not reported prior to December 31, 1954.	
FUNDS HELD IN TRUST FOR MEMBERS AND BENEFICIARIES	63,168.45
FUNDS FOR DIVIDENDS TO DECEMBER 31, 1955.....	2,171,390.81
PREMIUMS PAID IN ADVANCE.....	440,118.87
ESTIMATED AMOUNT DUE AND ACCRUED FOR CLAIM INVESTIGATIONS, COMMISSIONS, GENERAL EXPENSES AND TAXES	315,436.15
FUNDS DEPOSITED BY MORTGAGORS AND EMPLOYEES FOR PAYMENT OF TAXES.....	482,671.47
RESERVE FOR BONDS AND STOCKS.....	1,650,196.82
MISCELLANEOUS	959,489.30
Includes funds set aside for expenses of quadrennial Supreme Camp in 1958.	
TOTAL LIABILITIES	\$135,696,798.69
UNASSIGNED FUNDS	16,793,656.38
Funds held for the additional protection of members.	
TOTAL TO BALANCE ASSETS.....	\$152,490,455.07

Royal Neighbors OF AMERICA
Life Insurance and Fraternalism

Supreme Office — Rock Island, Illinois

The NATIONAL UNDERWRITER

59th Year, No. 15
April 15, 1955

The National Weekly Newspaper of Life Insurance

Variable Annuities Suited Only to Life Insurers, Says Pru

Memorandum Tells Risks of Letting Other Types of Institutions Issue Them

NEW YORK—With the failure of variable annuity bills in New York, New Hampshire, and Maryland, New Jersey now stands out as the main hope of the proponents of this new type of contract. Though regretful at disagreeing with the New Jersey State Life Underwriters Assn.'s wish to postpone action for another year, Prudential is nevertheless going ahead under full steam in an effort to get enactment of the bills it is sponsoring in the New Jersey legislature.

Some critics of the variable annuity idea contend that it is impossible or at least impracticable to train agents to

NEWARK—Manager Philip J. Torsney of Metropolitan Life at Bloomfield, who is chairman of the New Jersey Life Underwriters Assn. committee on law and legislation, told The National Underwriter Assemblyman Robert O. Barnes, Jr., of South Orange, introducer of the variable-annuity bills, had assured him that when the legislature resumes April 25 after its current recess he will ask for a public hearing on the bills.

Mr. Torsney also said he thought the state association would have no objection to variable-annuity legislation limited to group coverage, letting the question of individual variable annuities go over for another year. However, while Prudential is primarily interested in the group variable annuity, it believes there is a big market for individual annuities based on equities.

The Newark Life Managers Assn. Monday went on record as opposing enactment of variable-annuity legislation this year, so as to allow time for fuller study.

sell both the fixed-dollar annuity and the variable annuity. However, Prudential's position is that availability of the variable contracts to the company's regular agency force "will no more tend to undermine the standing of normal life insurance fixed-amount contracts than the availability of term insurance through such agents casts doubt on the desirability of permanent insurance. It is appropriate that trained life insurance agents should have available this additional item in their broad choice of plans for meeting varying needs of different prospects."

A principal reason why it is considered important that variable annuities should be issued by and as part of the business of established life companies is that marketing of these contracts will require careful supervision to minimize misunderstandings and misrepresentations, according to Prudential.

"There seems to be every likelihood
(CONTINUED ON PAGE 22)

480 Names on Fourth List of Qualifiers for '55 MDRT

NEW YORK—The fourth list of qualifiers for the 1955 Million Dollar Round Table was released this week by Chairman George B. Byrnes, general agent here for New England Mutual.

This list includes 480 qualifiers whose applications were approved between Feb. 28 and March 31, divided as follows: Life and qualifying, repeating, 157; life, 79; life and qualifying, first time, 43; qualifying and repeating, 72; qualifying, first time, 129. The release announced this week, plus earlier lists of 273, 260 and 286 names, brings the total of officially qualified members through March 31 to 1299.

Applications for the 1955 MDRT had to be in the mail by March 15 but many were incomplete or inaccurate, requiring further checking. Remaining qualifiers will appear in a fifth list.

LIFE & QUALIFYING, REPEATING

S. A. Aaron, Equitable Society, Los Angeles.
R. B. Anthony, Equitable Society, Chicago.
Sadao Asato, Sun Life of Canada, Honolulu.
Karl Bach, Penn Mutual, San Francisco.
S. M. Barg, New England Mutual, New York City.
E. C. Barr, New York Life, Chicago.
G. N. Bearden, New England Mutual, Beverly Hills.
Cal. B. O. Beatty, Excelsior Life, Toronto.
M. H. Beitman, Continental Assurance, Harrisburg.
Pa. S. M. Bernbaum, Penn Mutual, Seattle.
M. O. Bickel, American National, Galveston.
Jean Black, Connecticut General, Indianapolis.
W. L. Bradley, Equitable Society, Los Angeles.
R. W. Brinton, New York Life, Salt Lake City.
R. W. Brooks, New England Mutual, Erie, Pa.

John W. Brown, Mutual Benefit, Louisville.
R. R. Brown, Northwestern Mutual, Winston-Salem.
N. C. H. E. Buckman, Old Line Life, Milwaukee.
R. P. Burroughs, National Life of Vermont, Manchester.
N. H. E. V. Carlin, independent, Columbus.
O. H. W. Castleman, New England Mutual, Louisville.
R. T. Cayce, Great Southern Life, Houston.
W. G. Chatham, Business Men's Assurance, Drain, Ore.
W. E. Clark, Northwestern Mutual, Milwaukee.
J. E. Clayton, Massachusetts Mutual, Newark.
H. F. Cluthe, State Mutual Life, Newark.
M. H. Cohen, Equitable Society, Philadelphia.
James T. Comer, Jefferson Standard, Gastonia.
N. C. P. W. Cook, Mutual Benefit, Chicago.
J. W. Currie, New England Mutual, Miami.

E. G. Davies, Manufacturers Life, Los Angeles.
C. W. DeGryse, Northwestern Mutual, Chicago.
R. B. Dingsmore, Provident Mutual Life, Princeton.
N. J. R. W. Dozier, Massachusetts Mutual, Oklahoma City.
J. J. Durkin, Sr., Philadelphia Life, Dallas.
Pa. Herman Duval, Northwestern Mutual, New York City.
A. A. Ebenstein, Union Central Life, Beverly Hills.
Cal. R. W. Ebling, Jr., Penn Mutual, New York City.
Dewey Edson, Northwestern Mutual, Madison.
Wis. J. H. Fargason, Great Southern Life, Houston.
D. P. Faxon, Aetna Life, Camden.
N. J. Ben Feldman, New York Life, East Liverpool.
O. K. C. Fitch, New York Life, Wichita.
S. H. Foreman, Mutual of N. Y., Chicago.
R. W. Frank, State Mutual Life, Chicago.

P. S. Gesswein, New England Mutual, New York City.
R. H. Goldsmith, Connecticut Mutual, Los Angeles.
M. M. Goldstein, independent, New York City.

J. W. Griffiths, Manufacturers Life, Winnipeg.
H. K. Gutmann, Mutual of New York, New York City.
J. G. Harding, Northwestern Mutual, Portland, Ore.
R. B. Hardy, Connecticut Mutual Life, Lima, O.
C. E. Harris, Equitable Life Assur. Soc., Chicago.
P. A. Hazard, Jr., New England Mutual Life, Chicago.
R. C. Holland, New York Life, New York City.
G. A. Hollman, American National, Oklahoma City.
A. S. Howes, Connecticut Mutual, New York City.
Oscar Hurt, Jr., State Mutual Life, Memphis.
J. B. Irvine, Jr., National Life of Vermont, Chattanooga.
O. P. Jacobsen, New England Mutual, New York City.

C. G. Keehner, Massachusetts Mutual, Oakland.
Cal. F. M. Kelly, Northwestern Mutual, Salt Lake City.
J. R. Kennedy, New England Mutual, Detroit.
C. H. Killen, New York Life, New York City.
J. L. Kowals, Central Standard Life, Baltimore.
J. C. Krause, Penn Mutual, Lansing, Mich.
E. H. Lattimer, Northwestern Mutual, Wausau.
Wis. D. F. Lau, Massachusetts Mutual, Detroit.
Mich. C. E. Laurent, Manufacturers Life, Toronto.
V. M. Leach, Jr., College Life, Raleigh.
N. C. S. Leeds, Equitable Society, Beverly Hills.
Cal. S. E. Leiwant, independent, Newark.
Samuel Leveston, Connecticut General, Hartford.
E. M. Lillis, Northwestern Mutual, Erie, Pa.
W. V. Lurie, New York Life, Brooklyn.

C. S. McAllister, independent, New York City.
C. S. McGivern, Northwestern Mutual, Chicago.
T. B. McGlinn, Mutual Benefit, Miami.
J. A. McKnight, Home Life of N. Y., Grand Rapids, Mich.
J. S. Maryman, Aetna Life, Texarkana.
Ark. K. L. Means, State Mutual Life, Chicago.
J. N. Meeks, Northwestern Mutual, Columbus.
O. V. A. Miletti, Northwestern Mutual, Newark.
F. M. Minninger, Connecticut General, Detroit.
E. J. Mintz, New York Life, Salinas.
Cal. E. C. Moore, New York Life, Wichita.
Kan. F. A. Morse, Northwestern Mutual, South Bend.
M. C. Muller, Phoenix Mutual, New York City.
E. G. Mura, New England Mutual, Kansas City.
R. B. Nathan, Equitable Society, Chicago.

Howard Neal, Security Benefit Life, Los Angeles.
Colgan Norman, Penn Mutual, Louisville.
A. J. O'Callaghan, Equitable Society, Chicago.
G. D. Orput, New England Mutual, Portland, Ore.
H. S. Parsons, Travelers, Los Angeles.
Aubrey Peters, New York Life, Chicago.
G. H. Plante, John Hancock Mutual, Cleveland.
J. Polachek, New England Mutual, Pittsburgh.
Ernest Pomerantz, Sun Life of Canada, Philadelphia.
W. L. Porte, Mutual of New York, Colorado Springs.
C. L. Post, independent, New York City.
J. H. Prentiss, Jr., New England Mutual, Chicago.
Alfred Pugno, Mutual of New York, Fremont.
Mich. F. W. Purdy, Travelers, Seattle.
J. T. Quinn, T. Eaton Life Assurance, Winnipeg.

E. B. Redfield, Jr., Northwestern Mutual, Boston.
R. U. Redpath, Jr., Connecticut Mutual, New York City.
F. G. Reed, independent, Chicago.
H. L. Regenstein, Massachusetts Mutual, New York City.
J. K. Rickard, Northwestern National, Hutchinson.
Kan. G. P. Roberts, Massachusetts Mutual, Wheeling.
W. Va. G. W. Roberts, New York Life, Delano.
Cal. K. V. Robinson, New England Mutual, Waterbury.
Conn. Robert Rogerson, Penn Mutual, Lansing.
Mich. H. C. Rose, independent, New York City.
L. A. Rosen, Union Central Life, Memphis.
E. W. Rosenheim, Penn Mutual, Chicago.
H. B. Ruhl, Northwestern Mutual, Detroit.
Edward Russo, Northwestern Mutual, Baltimore.
J. M. Russon, Massachusetts Mutual, Los Angeles.

H. R. Schultz, Mutual of New York, Chicago.
M. I. Scott, independent, Los Angeles.
B. H. Sekt, New York Life, Sioux City.
Ia. H. F. Silver, New England Mutual, New York City.

(CONTINUED ON PAGE 20)

FTC Committee of NAIC Divided on State Jurisdiction

One Member Unconvinced Commissioner Can Be Given Extraterritorial Powers

The National Assn. of Insurance Commissioners committee on federal trade commission jurisdiction may be unable to submit a unanimous report to the NAIC meeting in Los Angeles next month because of a difference in opinion as to the extraterritorial regulatory powers of commissioners over the out-of-state activities of their domestic companies.

Queried by THE NATIONAL UNDERWRITER, Commissioner Knowlton of New Hampshire, who is President of NAIC and chairman of the FTC committee, said one member of the committee, whom he preferred not to identify, believes it is not possible for the law of any state to give its commissioner sufficient extraterritorial power to constitute adequate regulation of a domestic company's out-of-state activities and thereby provide the type of regulation contemplated by public law 15 that would keep the federal trade commission out of the picture. All the other members of the committee believe that a commissioner can be given sufficient statutory power to provide adequate regulation of domestic insurers' out-of-state activities but these members have thus far been unable to win over the dissenting member. However, all are agreed that a commissioner has no control over what an out-of-state company, licensed in his state, does in some other state.

Mr. Knowlton said he was working on a draft and hoped to be able to come up with language that all members could agree on but there is still a possibility that this will not be possible and the dissenting member will submit a minority report.

During the committee's meeting in New York city last week, Mr. Knowlton indicated the report would be ready to send to NAIC members before the annual meeting next month but he said this week that in view of the committee's inability to achieve unanimity on this important point of extraterritorial jurisdiction the committee would doubtless have to meet again in Los Angeles just before the meeting in a final attempt to agree on a report. He plans to finish the draft of the report in the next few days and send it to the committee members to go over, after which it will be redrafted.

According to sources other than Mr. Knowlton, the dissenting member is Commissioner Martin of Louisiana, a former president of NAIC.

New Conference Member

Central Standard Indemnity of Chicago has been elected a member of H.A. Underwriters Conference.

Late News Bulletins...

Mutual of N. Y. Cuts Polio Premium Rate

NEW YORK—Largely because of the announced success of the Salk polio vaccine, Mutual of New York is reducing the premium on its individual and family hospital expense policies by an average of 5%, roughly equivalent to the amount included in the over-all premium for the \$5,000 polio benefit, though no change is being made in the benefit. Besides the results of the Salk tests, the rate reductions also reflect better-than-expected experience in nearly all lines covered by hospital expense policies.

Hancock District Agents Set New Record

John Hancock's district agency organization in March set a new record in combined ordinary business. The district agents sold \$111,704,707 of combined ordinary, achieving a new quarterly record of \$277,326,037, up 20.5%. The record March figure compared with \$94,578,850 in March 1954, the previous peak month. "Combined ordinary" business means monthly debit ordinary plus regular ordinary written through district offices.

McConnell Decries Federal Invasion of State Regulation

California Commissioner Says Intent Evidently Is to Discredit the Business

Commissioner F. Britton McConnell of California, addressing the annual meeting of Pacific Insurance & Surety Conference at Palm Springs, denounced the invasion of the insurance business by government agencies, the federal trade commission in particular.



F. B. McConnell

The basic philosophy of American business rests on salesmanship, but the standards of advertising set forth by FTC are nebulous, Mr. McConnell asserted, declaring it is evident that it is the intention of the agency to discredit the insurance business. He said he would act individually or in concert with other commissioners to stop the blackening of insurance by FTC or any other federal agency.

Mr. McConnell said the public relations job of the insurance commissioner is to protect and defend the high esteem in which the insurance business is held. Only the fringe operators get publicity, he maintained and these fringe elements are not representative of the true character of the business.

The commissioners in zone 6 of NAIC have unanimously registered official protestations of the intervention of federal agencies into the rights of the states to regulate insurance, Mr. McConnell said. He commented that more insurance executives are becoming concerned daily with the acts of FTC and the interstate commerce commission as well as the justice department, to invade the states with the objective of centralization in Washington. The latest move by ICC is to examine the character of insurers on ICC risks, looking into their ability to perform, the adequacy of reserves, etc., all to be examined by ICC beyond what is done by the state.

Mr. McConnell said he does not believe it is his duty to preach or make speeches or write articles. There is no place for headlines in the commissioner's activities because the commissioner is equipped with duties and not power. Along that line, he referred to the practice in California in the past of issuing bulletins which would have the force of law. In the event some of these preceding bulletins prove detrimental to the industry, he said there may be a repeal of them.

The principal duty of the commissioner is to solvency of insurers and their examination, not investigating allegations, Mr. McConnell said. He attacked the rumor that has circulated that leniency will be the rule under his administration. There should be no illusions on that score, he warned, for the fringe operators will be dealt with severely.

Pa. Blue Cross Hikes Rates

Capital Hospital Service, the Blue Cross organization in Harrisburg, Pa.,

is adjusting its rates to meet the increased cost of hospital care, effective June 1. Under the comprehensive contract the monthly rates will then range from \$1.90 to \$5.10, depending on whether the person is single or has a family and is in a group or non-group plan. Under the cooperative contract the member will pay \$2.50 instead of \$2 a day for the first 20 days of hospital care, but there will be no monthly rate changes. Other changes are being made in maternity benefits, laboratory fees and X-ray examinations.

FTC Ends Hearing on One Complaint, to Continue with Others

WASHINGTON—Hearings on the federal trade commission's complaint charging Automobile Owners Safety with false advertising of A&H insurance have been concluded.

Alvis Layne, counsel for the company, was given three weeks in which to file briefs and a motion to dismiss and the commission three weeks thereafter for its reply brief. P. R. Melangton appeared as counsel supporting the complaint.

Scheduled to be argued this week were motions to dismiss FTC complaints against Life of America at Delaware and Guarantee Reserve Life of Indiana.

Plan Estate Planners Day at Los Angeles April 21

Los Angeles CLU chapter will hold an estate planners day April 26 in cooperation with the University of California at Los Angeles.

Loren D. Stark, Connecticut Mutual, Houston, will consider business interests in the living estate plan; Robert Forster, Los Angeles attorney, will consider partnership entity or cross purchase agreements under the new tax law, as well as continuous partnership agreements; Maurice Freis, trust officer of Farmers & Merchants National Bank of Los Angeles, will talk on favorable estate tax valuation of business interests.

Valuation of business interests for estate planning will be considered by a panel comprised of John E. Anderson, Los Angeles attorney and CPA; Dr. Richard M. Heins, assistant insurance professor at UCLA; Robert S. Albritton, Provident Mutual, Los Angeles, and Mr. Stark.

Home Life's Business Running 19.8% Ahead

Home Life shattered all previous production records in March with \$16,739,000 paid-for ordinary business. The figure exceeded by more than \$3 million the previous best month in company history, which was March, 1954. For 1955 to date ordinary production is 19.8% ahead and greater than the total recorded in any other quarter.

March Best Sales Month for General American

General American Life set a new monthly production record in March, exceeding by 7% the previous high that had stood only since November, 1954, and topping by 35% business submitted in March of 1954.

The record set with March written business resulted in a new record for the six-week "Spring Fiesta" contest, exceeding the previous high for a campaign of similar length by 14%.

Popma Southland Manager

Southland Life has appointed Leonard J. Popma Jr. manager at Portland, Ore. He joined the company there in 1951, advancing to supervisor two years later.

Health Council Reelects Officers; Progress Tallied

Health Insurance Council at its spring meeting in Chicago, where it heard reports on major programs, re-elected John H. Miller, Monarch Life of Massachusetts, chairman. Continued as vice-chairmen were James Andrews Jr., Life Insurance Assn., L. A. Orsini, Bureau of A&H Underwriters, and James R. Williams, H&A Underwriters Conference. Miss Alice Chellberg, American Mutual Alliance, was re-named secretary.

The uniform claim form project is nearing completion, said Carroll J. McBride, chairman of the committee in charge. Hospital admission plans are proving successful and are being extended. The technical advisory committee, headed by M. D. Miller, Equitable Society, is completing work on a standard surgical nomenclature. It is also studying duplication of coverage and attendant ill effects.

The information and public relations committee funneled activities of other committees into a public relations program, Chairman Arthur G. Weaver, John Hancock Mutual, reported. Nearly 42,000 copies of the publication on the extent of voluntary health insurance in the U. S. were distributed, as were more than 13,500 copies of "The Health Insurance Story" booklet. These went to especially selected sources. A new project is a health insurance exhibit being shown at major hospital and medical conventions.

Mr. Williams reported for the medical relations committee, headed by Dr. W. H. Scoins of Lincoln National Life. An active liaison program has been carried on with national medical organizations.

To further the work of the hospital relations committee, Chairman Orsini noted an advertisement commemorating national hospital week, May 8-14, is being placed in leading hospital journals. Companies are being urged to assist hospitals at local levels to make the celebration a success.

Henry Locke, Liberty Mutual, chairman of the survey committee, said publication of its compilation of persons covered under voluntary insurance is expected in June. The committee will also investigate what is insurable and what is not in the national health bill.

ALC Against Asking for Conference on Trade Practices

American Life Convention's executive committee has voted to dissociate itself from any move to make application to the federal trade commission for holding a trade practice conference on A&H advertising.

Bureau of A&H underwriters governing committee, which had previously favored such a conference, though by a divided vote, was scheduled to consider the matter again Thursday of this week but was still in session at press-time. The reconsideration was necessitated because the original vote was on a proposal passed by the joint industry committee to seek a trade practice conference provided the National Assn. of Insurance Commissioners expressed itself as not opposing the move.

It proved impossible to get an expression of NAIC views prior to the annual meeting next month, so the joint committee then went on record as favoring the proposal for a conference, without reference to the NAIC's attitude. It is this revised motion that the bureau is voting on.

H&A Underwriters Conference, which had favored the first resolution of the joint committee, though by a divided vote, recently went on record as opposing the seeking of a conference.

Life Insurance Assn. of America doesn't face the need for reconsideration, as its original action was to empower its representatives on the joint committee, if they saw fit, to seek a trade practice conference whether or not the NAIC approved and to do so on their own in the absence of a favorable majority vote of the joint committee.

Life Insurers Conference voted for a trade practice conference some time ago, but subject to the restriction that the commissioners would have expressed themselves as not objecting. Hence, if LIC wants to go ahead without NAIC approval, it will have to have another vote.

Assn. of Casualty & Surety Companies some time ago voted to take no position on seeking a trade practice conference. American Mutual Alliance has taken no stand on the proposal.



Viewing some of the public relations activities of Health Insurance Council at its spring meeting in Chicago are, from left, Arthur G. Weaver, John Hancock; Carroll J. McBride, Travelers; John H. Miller, Monarch Life of Massachusetts, council chairman; M. D. Miller, Equitable Society, and Henry Locke, Liberty Mutual.

Groundwork Laid for Merger of A&H Bureau, Conference

Joint Health Committee Recommends Single Trade Association

H&A Underwriters Conference and Bureau of A&H Underwriters would be merged into a single organization serving as the major trade association in the A&H business if a recommendation of Joint Committee of Health Insurance to its constituent trade associations is approved.

The proposed association, handling the activities previously performed separately by the bureau and conference as well as by other associations with varying interests in A&H, would operate in the broad areas of education, legislation, and public relations. Initial and continuing standards of performance would be required for member companies. Besides encompassing the activities of the several associations now in the field, it is expected additional services, not now possible, would be made available.

It is proposed that the mechanics and execution of a public relations program for the new organization be under the direction of Institute of Life Insurance, with the detail work done by the A&H staff specialists. The report suggests offices of the organization would be Chicago, New York and Washington.

There has been less singularity of program on the part of the bureau and conference over the past year, something that would diminish problems entailed in merging the two organizations. This year the two groups held their spring meetings jointly at Chicago, and some months ago Robert Neal of the conference staff went to Washington where he is serving as resident counsel for both the bureau and conference.

The report states that most of the problems of the A&H industry are of interest to several or all of the associations represented on the joint committee. Because it has been necessary to operate on a federation principal in the joint committee and the Health Insurance Council, the report states that such a condition has resulted in delay and loss of effectiveness in representing A&H interests.

Under the recommendation a single trade association would be established to accomplish the following objectives:

- Establishment and enforcement of standards of ethical conduct as a condition of membership.
 - Creation of a single forum for establishing an industry position.
 - Development of a mechanism for an effective public relations program.
 - Establishment of a central direction and staff control.
 - Creation of a single association of stature to command respect and influence by reason of its greater effectiveness.
 - Elimination of present duplication in staff and company effort.
 - Elimination of confusion to press and public arising from the present multiplicity of associations in the accident and health field.
- Contemplated is a continuance of the

work of the present Health Insurance Council as one of the functions of the new association.

In addition to approving the report at its last meeting, and presuming eventual affirmative action, the joint committee constituted itself as an organizing committee to facilitate developments. This week Chairman Faulkner will announce the personnel of the subcommittees on finance, legislation, membership, nominating and planning.

The proposed plan of organization will be sent to all companies or as-

sociations lawfully engaged in A&H. The plan of organization would be accompanied by an invitation to submit an application for membership in the proposed association. Included with the application for membership from the company would be a specific pledge to observe the standards of ethical business conduct approved by the membership of the association.

If a majority, as designated by the joint committee, of the members of the bureau and the conference make application for membership in the proposed association and are recom-

mended by the membership committee, an organizational meeting would be set up by the organizing committee. Business items at the organizational meeting would include approval of applications for membership, adoption of a constitution, the election of officers and board of directors, and adoption of a budget.

At the same time the conference and the bureau will call special meetings of their membership to be held immediately following the organizational meeting to take the proper steps for

(CONTINUED ON PAGE 22)

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NEW

LOW COST BUSINESS

SECURITY POLICIES

for

OWNERS, PARTNERS

KEY MEN

Specifically John Hancock offers you:

... A new low-cost policy for those
who can qualify as preferred
risks—Minimum \$7500

... A "select" class of policies at
exceptionally low cost—
Minimum \$3000

These policies enable any owner, partner or management executive to set up special funds to meet changes affecting executive personnel such as

- forced reorganization through loss of partner, disability or death of owner or partner, loss of key man or men for any reason.
- forced settlement because of loss or withdrawal of key men.
- to meet the terms of a buy or sell agreement.

MEMO

This John Hancock
message appears in
BUSINESS WEEK • TIME
U.S. NEWS & WORLD REPORT

For full
particulars
consult your
John Hancock
agent

John Hancock
MUTUAL LIFE INSURANCE COMPANY
BOSTON, MASSACHUSETTS

DEDICATED TO THE INDEPENDENCE AND
FREEDOM OF EVERY AMERICAN FAMILY

MANY RATES CUT

Ohio State Life
Has New Manuals
for Life, A&H

A new life rate book and a new A & H manual were introduced by Ohio State Life at a meeting of general agents at Columbus. The two books were reviewed, respectively, by I. M. McCampbell, vice-president and actuary, and Charles M. Barry, manager of the A & H department.

The new dividend rate book shows a revised schedule throughout, reflecting increases generally in the higher ages.

Mr. McCampbell said rates have been reduced and dividends increased in every case where experience showed that such changes, favorable to the insuring public, could be made. "Overall," he said, "the net cost of insurance for many kinds of policies, and particularly for persons of older ages, will now be less than it was up to this time."

The rate of interest on policyholder

dividends left with the company to accumulate has been raised to 3%. Premiums for disability coverage have been reduced, in many cases about 40%. Accidental death benefits are now available from age 5 to age 55, with coverage continuing to 65.

Mr. Barry said occupational hazards have been restudied, resulting in lower rates in the new A & H manual for many occupations. He reported that all A & H and hospital policies are being redesigned to conform with new state laws.

Director of Agencies Howard W. Kraft discussed the progress of the company and the opportunity for new manpower. Warren F. Howe, director of education, presented a new, pocket-sized rate book, designed for quick reference and greater convenience. He discussed also revisions in sales and merchandising plans.

Baltimore-Washington
Sales Congress Program

Baltimore and Washington associations will sponsor a "Do It Yourself" sales congress April 28 at Lord Baltimore hotel in Baltimore. Speakers will

be Dwight G. Johnson, vice-president of Herkness, Peyton, Bishop, Inc., Philadelphia general agents of Continental Assurance, on "Sitting Ducks on the Tax Pond-1955 Season"; Charles B. McCaffrey, director of advanced training of Northwestern Mutual, on sales opportunities in the new tax law; Bert A. Palo, Prudential Life agent of South River, N. J., on "Selling Through the Heart"; Robert W. Osler, vice-president Rough Notes Co., on whether policyholders are being short-changed; and Kenneth L. Anderson, staff editor of R&R magazine, on "Targets of Opportunity."

Morris B. Hack, general agent of Continental Assurance in Baltimore, is general chairman. Robert C. Clark, assistant manager of Home Life in Baltimore, and Leslie H. Jackson, agent of Mutual Benefit Life in Washington, are co-chairmen.

Bankers National
Stirs Interest with
\$25,000-Minimum Policy

Bankers National Life has aroused considerable interest in the business by the low-cost 20-year illustrations on its new \$25,000-minimum "Champion" policy advertised in the April Fortune magazine.

For example, at age 35 the annual gross premium, for \$100,000 is \$2,297. At the end of 20 years the premiums minus 20 dividends, on the current scale, would be \$35,747. The guaranteed cash value would be \$36,513, so that instead of a 20-year net cost there would be an average annual net profit of \$38.30 or 38.3 cents per \$1,000 of face amount.

At age 25 the annual premium for \$100,000 is \$1,695. Twenty premiums less 20 dividends on the present scale is \$25,993, while the 20th year cash value is \$28,399 or a negative cost for the 20 years of \$2,406 and an average annual negative net cost of \$120.30, or \$1.20 per \$1,000.

At age 45 the gross annual premium for \$100,000 is \$3,359. Twenty premiums less dividends will amount to \$52,909 while the guaranteed cash value in 20 years will be \$45,860 for a 20-year net cost of \$7,049 and an average net cost of \$3.53 per \$1,000.

At age 55 the gross premium is \$5,070, the 20th year total of premiums less dividends is \$83,117 while the cash value is \$57,023 for a 20-year cost of \$26,094, or an average annual net cost of \$1,305.

The policy is life paid up at 85, with the first-year dividend payable on receipt of the second premium. It can be written with waiver and also disability income. The dividend accumulation and premium discount rates are 3%. The cash value may be put under a settlement option after five years. The low cost, the advertisement points out, is achieved without resort to surrender dividends.

The policy is also issued on a sub-standard basis.

R. P. Peterson Advanced

Richard P. Peterson, actuarial consultant in the underwriting department of Bankers Life of Iowa for about a year, has been advanced to assistant secretary.

A fellow of Society of Actuaries, he originally joined Bankers in 1936, leaving in 1940 to enroll in a university curriculum. He rejoined the company in 1946 after army service.

Frank J. Padal, 46, staff manager in the Northtown district of Prudential at Chicago, died in his home there. In 1940 he led all company salesman in total sales.

MARKING 50TH YEAR

New Mutual Trust
Rider Fills Gap
in SS Coverage

A rider to offset the loss of social security benefits in the event of death of a minor child was introduced by Mutual Trust Life April 14, the same day the company issued its 17 initial policies 50 years ago.

Termed the consecutive death protector, the new rider goes one step further than the usual payor clause attached to juvenile ordinary policies. The additional premium is only \$1. Death of the father and then the child could result in the loss of all of the social security benefits for the wife-mother payable prior to her age 65. Under the rider a widow so affected not only would receive the face amount of the insurance but also \$50 every month until the time the child would have been age 18. The \$50 per month is payable regardless of the face amount of the policy.

The new rider thus provides triple protection in the event of death of the father during the child's minority, as follows: Waives the premium to age 21 on the policy on the child's life; provides for payment of the face amount upon death of the child, and provides for payment of \$50 per month to the surviving widow-mother until the child would have been 18 years of age.

Of the 17 initial Mutual Trust Life contracts, one still is in effect on the life of O. D. Olson, a director of the company. The company has been a pioneer in many coverage innovations and was one of the first to write juvenile ordinary, offering this coverage first in 1915.

Predict Letup in
FTC A&H Complaints

No additional federal trade commission complaints are likely to be made against A&H insurers for some time, according to reports in Washington. Robert R. Sills, commission attorney who has headed the FTC campaign against A&H companies, reportedly has been pushed into the background and given a sick leave of absence.

Steil Heads New Prudential
Agency at San Francisco

Prudential has appointed Ralph K. Steil manager of a new agency at San Francisco. The Cliff Henderson agency there now will deal exclusively in brokerage and surplus lines.

Mr. Steil has been associate manager of the White agency of Prudential at Los Angeles for 1½ years. He joined the company at Kansas City in 1945 and served at Pittsburgh before

going to Los Angeles.

William R. Duffel, associate manager, will remain with the Henderson agency in charge of brokerage. Lewis E. Hargreaves and Francis J. Pouls, division managers, and the full-time special agents will transfer to the Steil agency.



Ralph K. Steil



From left to right: Vice President John L. Cameron; Thomas S. Muir, C.L.U.; Stanley B. Brooks, C.L.U.; Robert L. Spaulder; President James A. McLain; Julius M. Eisendrath; William J. Reilly, C.L.U.; Walter R. Wilkinson and Seth W. Ryan, C.L.U.

Partners at Work!

GUARDIAN's Field Advisory Board meets regularly with our president and home office staff to discuss recommendations from the field. They bring in ideas for improving service . . . opinions on changes proposed by the company.

Many of their suggestions are quickly put into action . . . for we know from experience that giving the field force a voice in policy-making decisions benefits the company, the public and the men and women who represent The GUARDIAN throughout the country.

*It is with profound regret that we report the death of Julius Eisendrath, which occurred two days after this picture was taken.



THE *Guardian*

LIFE INSURANCE COMPANY OF America

50 UNION SQUARE NEW YORK 3, N. Y.

A MUTUAL COMPANY • ESTABLISHED 1860



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Howell Discusses Insurance Future at Pru Conference

Trends in life insurance, particularly in the fields of A&H coverage, dividends, variable annuities, special policies and advertising, were discussed by Valentine Howell, executive vice-president of Prudential, at the company's President's Club conference in Hollywood, Fla.

More than 1,600 district representatives are attending the conferences, which will conclude April 23.



Valentine Howell

Other Prudential executives who spoke included Paul B. Palmer, vice-president in charge of district agencies, and Frederick H. Groel, vice-president and secretary.

Mr. Howell defended the entry of life companies into the A&S field saying "there is no agency better equipped to provide it than life insurance companies." If A&S protection is to be provided by private enterprise, life companies must step in and fill the need with sound and economical coverages for all classes. If they don't, the government will step in and take over. Life companies have a chance to lead in the field—and, he said, he hopes the companies are never able to preempt the field to the exclusion of other insurers—but only if they push sales continuously and aggressively, experiment with new ideas and are responsive to needs that may arise in the future.

As for non-cancellable A&S coverage, he said, he has listened to a lot of criticism of the commercial cancellable policies. Even though Prudential does not write that type of coverage, he said he thinks cancellable A&S has an important and useful place in the business under certain circumstances. He stressed that Prudential has no present intentions of entering the cancellable field.

Referring to special minimum amount policies, Mr. Howell said that there is little point in a small company issuing such a policy of \$5,000-\$10,000 if its history and operations have been geared to serving a limited group composed mainly of middle-class and well-to-do policyholders and prospects.

If such policies were to be issued, he said, they logically would show about the same net costs as the policies previously issued by the company because these policies, in practical effect, are already a part of a large policy operation.

However, in the case of the company which reaches and serves a much broader economic stratum of the population and consequently issues many small policies, equity requires that the holders of the small policies be charged with their actual expenses of operation, and the large policyholders must be charged only with their costs, Mr. Howell said.

This does not penalize the small policies, he pointed out; it might be that all policies, large and small, benefit cost-wise from the mass handling method and economies that have evolved from the necessity of handling large numbers, but so long as there

are any policy costs at all, it is clear that a distinction should be made, he said.

A considerable number of companies have gone into the group field in recent years, he pointed out. Some of the smaller companies have been successful in obtaining new business, but for many it is difficult to keep costs for the first few years within those pro-

vided for by the relatively low expense loadings in premiums. It is preeminently a task for specialists. It requires an expensive installation, and if the company is not large enough to obtain leads from a large number of different sources, the results do not justify the expense.

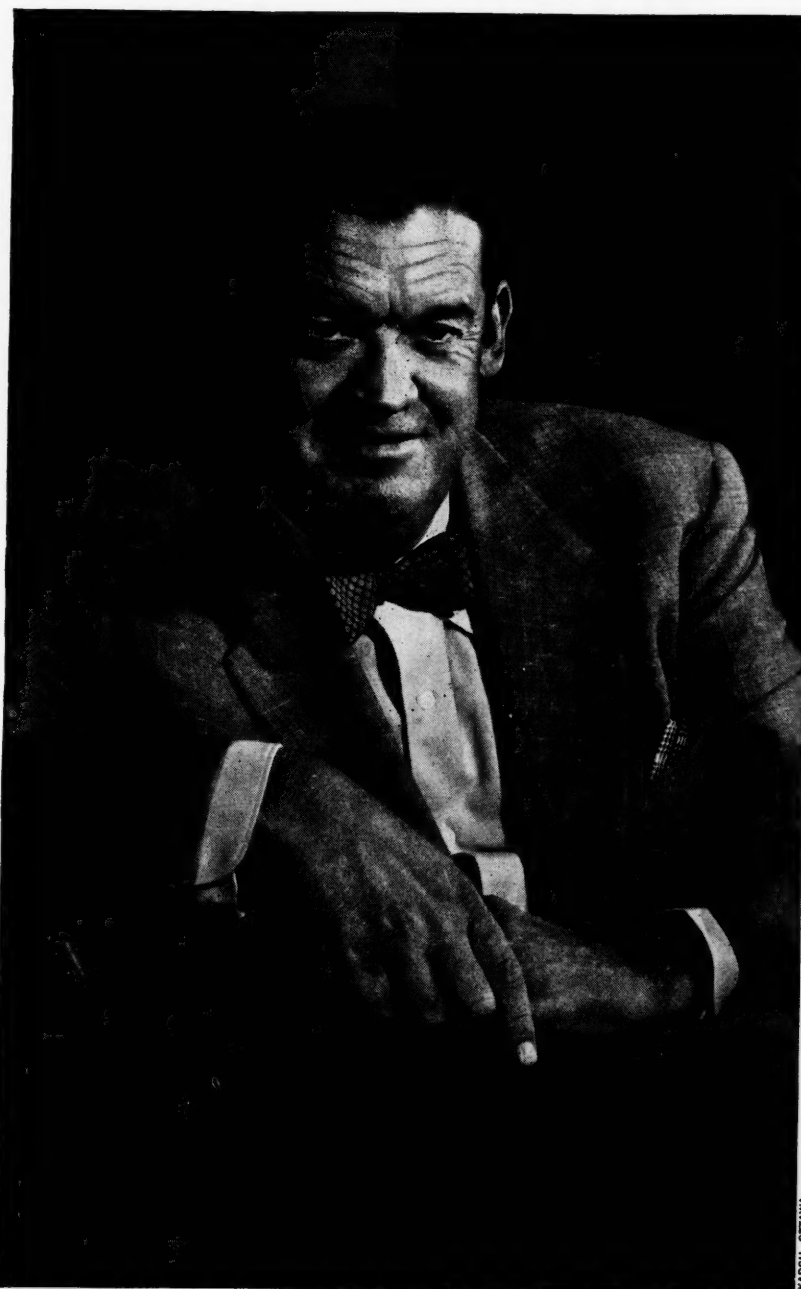
A partial substitute is the offer of a pension trust arrangement based on in-

dividual policies. Many of Prudential's agents would welcome the opportunity to write pension trusts in the company, he said, but he believes that the plans the company already has, when taken together, provide a form of protection that is more socially justifiable than pension trust plans.

There is a difference in belief con-

(CONTINUED ON PAGE 10)

"It pays to bully yourself where your family's security is concerned"



A challenging statement to family men

by PETER COLEFAX

President,

American Potash & Chemical Corporation

"It's a tough challenge for most of us to get the habit of keeping first things first.

"Specifically, a man's first concern is the security of his family. And to provide for them adequately takes not only wisdom—but, usually, courage. Because, depend on it, every time his wisdom tells him to buy more life insurance, he'll find simultaneously a dozen reasons for *not* buying it. I know. I've found them, too.

"But *how much* life insurance should he have? The answer, in dollars and cents, is different for each individual, though the way to arrive at it is the same. He must 'bully' himself a bit to take a realistic look at his family's real income need.

"A pretty rigid attitude here is a real asset to a family man. Whoever has it is well armed to distinguish between the things he'd like and the things he needs—between those things that are merely *attractive* and those, like life insurance, which are *vital*."

WHY POLICYHOLDERS ARE SO LOYAL TO NORTHWESTERN MUTUAL

THIS company is one of the six largest. It has more than 98 years' experience and an outstanding reputation for low net cost insurance.

This emphasizes that there are significant differences among life insurance companies. It is one reason why each year nearly half the life insurance issued by this company goes to those already in the Northwestern Mutual "family."

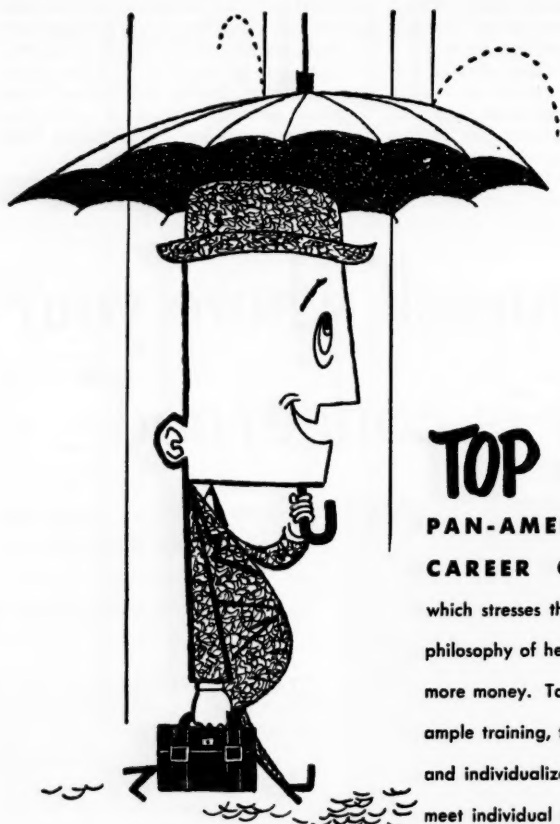
Have you reviewed your life insurance program within the last two years? You will find distinct advantages in calling upon the skill and understanding of a Northwestern Mutual agent.

A NORTHWESTERN MUTUAL POLICYHOLDER. Mr. Colefax, owner of 8 policies with this company, has himself set an excellent example of a positive attitude toward life insurance.

The NORTHWESTERN MUTUAL Life Insurance Company

MILWAUKEE, WISCONSIN

APPEARING IN: TIME, MARCH 7 AND APRIL 4; IN NEWSWEEK, APRIL 18 AND MAY 16



TOP COVERAGE

PAN-AMERICAN'S CAREER CONTRACT

which stresses the Company's philosophy of helping their men make more money. To do this, we furnish ample training, top-notch sales aids and individualized policies to meet individual needs.

PAN AMERICAN
LIFE INSURANCE CO.



CRAWFORD H. ELLIS
President

EDWARD G. SIMMONS
Executive Vice-President

KENNETH D. HAMER
Vice-President & Agency Director



NEW ORLEANS, U. S. A.

THE COUNTRY'S MOST FRIENDLY COMPANY OFFERS . . .

- Modern and attractive agent's and general agent's contracts to those looking for a permanent connection.
- Complete line of Life Insurance policy contracts from birth to age 65 with full death benefit from age 0 on juvenile policy contracts.
- Complete line of Accident and Health policy contracts with lifetime benefits.
- Individual Family Hospitalization contracts with surgical, medical and nurse benefits.
- Complete substandard facilities.
- Educational program for fieldman.

Strong, Progressive Company
Older than 85% of all legal reserve life insurance companies

COMPANY'S EXPANSION PROGRAM OFFERS
Openings in California, Illinois, Indiana, Kansas, Michigan, Minnesota,
Missouri, Nebraska, New Jersey, North Dakota, Ohio and Wisconsin

NORTH AMERICAN LIFE INSURANCE COMPANY OF CHICAGO

C. G. ASHBROOK, EXECUTIVE VICE PRESIDENT
NORTH AMERICAN BUILDING, CHICAGO 3, ILLINOIS

Provident Mutual Meeting Stresses Market Development

Panels on market development made up the main program of the sales meeting of Provident Mutual Life at Boca Raton, Fla. More than 500 persons attended. Top qualifiers, members of the 400 Club, held a one-day seminar on advanced life underwriting after the meeting.

Lewis C. Sprague, 2nd vice-president, was chairman of the first panel and panelists were Charles T. Farrow Jr., Westfield, N. J.; Emlen H. Jones, Philadelphia; H. Winston Noren, Minneapolis; James N. Sarakatsannis, Cincinnati; James A. Schnaars, Philadelphia; Robert E. Tippings, Detroit; and W. Richard Wissler, Cleveland.

Mr. Farrow said market development means putting the prospect's needs first. A cold prospect can be turned into an enthusiastic buyer by impressing him with sincerity, competence and ability to help him. He said that one small endowment case he sold by mail 11 years ago had, by close contact through sales literature, birthday greetings, blotters, calendars, and many personal letters, resulted in seven additional policies, nearly all negotiated by mail.

The best and most obvious way to build a clientele is to render complete and efficient service, Mr. Jones said. That some form of life insurance is owned by about 75% of all American families today, he said, means that from now on a larger percentage of total sales than ever before must be made to existing policyholders, rather than to those who are buying for the first time.

Referred leads from selling interviews and centers of influence eliminate wasted time in developing a market, Mr. Noren said. One of his centers has been instrumental in helping him develop a market which has been responsible for \$200,000 worth of business, he said.

Market development is simply selling, and, basically, selling oneself, Mr. Sarakatsannis said. In outlining his methods, he mentioned the use of the pre-approach letter, followed by a complete job of programming and service. He stressed the organized sales presentation and exposure to people as invaluable aids in market development.

Mr. Schnaars approached clientele building in terms of quality of prospects rather than quantity. He said each week he tries to meet two or three new qualified prospects that he feels he would like to work with over the years. Initially, he said, he is not too interested in whether the prospect buys, but rather in making him a friend.

Mr. Tippings said that organization is the answer to finding enough prospects and the opportunity to talk with them. His system consists of referred leads, nests, college students, direct mail and miscellaneous cold calls. Referred leads, he feels, are the best way of producing business because the agent goes to the prospect with prestige. He recommended cultivating the college market because college men usually believe in insurance, are optimistic about their potential earning power, and are greatly interested in assuring themselves money for later in life.

The importance of first determining the type of prospect the agent can deal

with and with whom he wants to do business was emphasized by Mr. Wissler. To reach these prospects he uses direct mail, reference prospecting, blotters, calendars, prestige announcements, and enlarging the circle of natural contacts.

In speaking of the importance of not joining organizations merely to gather names, Mr. Wissler reminded his listeners that their activities reflect the

(CONTINUED ON PAGE 17)



Quality in Pacific Mutual's FIELD LEADERSHIP

is pin-pointed by Maurice F. Bradley (Merced, California) as the motivating factor in his 13-year achievement of top rank in the Big Tree Leaders Club, his 9-year attainment of the National Quality Award, and his placing of more than ten million dollars of protection since the start of his career. Says Bradley, "Quality leadership, constantly supplied by my General Agent, Charlton Standeford, has kept me continuously on the track."

Quality is the dominant objective in all Pacific Mutual field procedures.

Pacific Mutual

LIFE INSURANCE COMPANY
HOME OFFICE: LOS ANGELES, CALIF.



LIFE Since 1868 • ACCIDENT Since 1885
SICKNESS Since 1904 • RETIREMENT PLANS Since 1919
GROUP INSURANCE Since 1941

Urges Comprehensive Major Medical as Answer to Hospital-Medical Problems

As an answer to the problems of over-numerous small claims, abuse of services and facilities, and duplication of benefits, the comprehensive major medical plan was recommended by Donald D. Cody, group actuary of New York Life, at a conference sponsored by the general management section of the American Gas Assn. at Cincinnati.

Mr. Cody said there are perhaps a dozen imaginative employers who have already had the wisdom to undertake this new design.

This plan is a comprehensive major medical program with no underlying traditional coverage. It excludes the small and frequent claims, it incorporates coinsurance so that the employee is interested in every dollar of claim, and it covers all types of hospital, surgical, medical, nursing, ambulance, medicine, and appliance charges regardless of whether hospitalization occurs. It provides a maximum of \$5,000 or \$10,000 toward catastrophic claims and duplication is excluded.

A typical design covers 80% of all medical care charges in excess of the sum of \$50 plus the "basis benefits deductible" for each illness, this deductible being equal to any payments made or the cash value of any services rendered under any group or group remittance program provided by any employer. Maximum payment is \$5,000 or \$10,000 for each illness or related illnesses. Maternity benefits are 80% of all maternity and obstetrical charges up to a maximum of \$200 except for complicated pregnancies where the normal benefits apply. Children are covered from birth.

The idea, said Mr. Cody, permits of considerable variation, but is equally effective from both funding and social standpoints, as long as the essential characteristics are retained. One desirable variation, for instance, is the grading of the deductible from \$50 for the lower-paid people to perhaps \$200 for the highest paid, since costs of major medical coverage increase very rapidly with income level. Another variation is to require no out-of-pocket deductible for hospital charges. However, Mr. Cody feels this latter is not consistent with the basic principles of the coverage.

The cost of such a program depends upon the distribution of ages and salaries, on percentage of females, on the particular location and on other less important factors. In an area where semi-private hospital rooms average \$13 a day and for a large group where employees of all ages and salaries are covered, the monthly cost for non-occupational coverage on the plan described would be \$4.45 for single employees, \$11.73 for an employee with one dependent, and \$15.66 for an employee with two or more dependents.

If the deductible on the comprehensive plan is \$25 instead of \$50, the cost increases by about 40%, while if the deductible is \$100 the cost decreases by about 25%. The cost of such a plan, as Mr. Cody showed by comparative figures, is not very different from the cost of a liberal traditional type of plan in the same area with an adequate premium rate.

Problems with acceptance of this

new coverage are that the employee, trained to the reimbursement of small claims and unaware of the likelihood of medical catastrophe, is initially unappreciative; hospital admission plans will not operate with their present facility; and the medical profession must exercise self-discipline in the face of large amounts of insurance money available.

With respect to doctors' self-restraint, most policies are written to provide for reasonable charges for necessary services and medical society grievance committees have exhibited

a cooperative attitude, said Mr. Cody.

The medical profession, from the American Medical Assn. to county medical societies, is fully aware that such health insurance programs must be encouraged and that doctors must charge normal fees to people so insured, if health insurance and medicine are to remain in the field of private enterprise. Mr. Cody said he personally had no doubt of the full cooperation of the medical profession and added that the experience of New York Life on major, medical coverage has been very satisfactory.



**You love them...
protect them!**

Designed for the support of Great-West Life representatives, this poster will appear in over 60 cities throughout the United States and Canada during 1955.

The message "You love them . . . protect them!" is a reminder of the foremost obligation of life insurance — to provide protection for the family against the financial hazards of the future.

Outdoor advertising is an example of the support given Great-West Life representatives in their sales and service activities.



Premium Tax Bill Passes Ala. House

The Alabama house has passed and sent to the senate the graduated premium tax on foreign insurance companies. The tax, ranging from 2 to 3%, depends on the amount of investments each company has in Alabama.

Baker Heads New Pru District

Prudential has opened a new district agency at Hutchinson, Kan., naming Fred Baker manager. He has been with the company at Fort Scott, Kan.

\$25 Million Written for Weidenborner

Both life volume and A&H premiums of Guardian Life set one-month records in the special campaign honoring Frank F. Weidenborner, agency vice-president. Submitted life insurance totaled \$25 million and there was more than \$118,500 in A&H premiums.

Competition in the campaign was based on percentage of quota achieved. In life insurance, the Campbell agency, San Diego, nearly tripled its quota to finish first, the L. Duckham agency, San Jose, Cal., was second, and the Collins agency, New York City, third.

The three leading agencies in A&H submissions, by percentage of quota, were John E. Fay, Hartford, Thomas S. Muir, Cincinnati, and Dandridge M. Gray, Providence. In submitted volume, the Spaulder, Warshall & Schnur

agency, New York City, led in both life and A&H. Holcombe T. Green, Atlanta, was runner-up in life volume, and Norman W. Remole, Minneapolis, second in A&H.

Individual honors went to A. J. Raumann, New York City, life volume; D. J. Bailey, Boston, and C. E. Kentz, Denver, tied in total lives; L. A. Neiditz, Hartford, A&H premium volume, and A. M. Schorr, New York City, A&H applications.

White to New Orleans

Malcolm White has been named assistant district group supervisor at New Orleans by New York Life. He is transferring from the Los Angeles group office where he was home office representative. Donald L. Crouse is district group supervisor at New Orleans.

● *Volunteer State Life of Chattanooga* has been licensed in Ohio.

Agent Liable for Fraud in Misstatements

An agent, in his zeal to sell an A&H policy, who falsely represents his own policy and makes misstatements concerning another A&H policy held by the prospect is liable to action for fraud and deceit, Judge Taylor of South Carolina supreme court decided in the case of Gardner vs. Mutual Benefit H&A (CCH 2 life and H&A 72). He decided allegations made in Gardner's complaint constituted a cause of action. The case, in which Mr. Gardner is seeking \$3,000, actual and punitive damages, is yet to be tried.

The appeal arose when the presiding judge of court of common pleas of Chesterfield county, South Carolina, refused to strike certain paragraphs concerning allegations of false facts said to have been represented by the Mutual Benefit H&A agent.

According to the complaint, the agent offered Mr. and Mrs. Gardner a family hospital expense policy which he said was a better policy than the one they already had with Equity Life. It contends that the agent said the Mutual Benefit H&A policy would pay them more money in the event they were hospitalized and that the rider in their Equity Life policy was "dead".

It also alleges that the agent said the Mutual Benefit H&A policy would cover the Gardners for any and all periods of hospitalization regardless of any injury or illness that either of them had had previously.

The allegations also stated that though the Gardners gave the agent a complete medical history and true statements concerning their physical

conditions he filled out the application with inaccuracies concerning this information.

Both Mr. and Mrs. Gardner called his attention to these inaccuracies, according to the complaint, but he assured them that the application contained all the pertinent information that was necessary and required by the company.

The complaint also contends that the agent represented himself as being an expert in hospitalization insurance by his own statement and by his acts in analyzing his insurance policy and that of Equity Life, and that he assured them there would be no way they could impair their coverage if they cancelled the policy with Equity Life.

Subsequently, the complaint states, Mrs. Gardner had a series of hospitalizations and operations and died of the illness. After each of these hospitalizations Mr. Gardner put in a claim, but the insurer refused to pay. Also after a hospitalization of Mr. Gardner, the insurer refused to pay.

Later the company tendered to Mr. Gardner a premium refund, contending that answers appearing on the application were incorrect and because of these erroneous answers coverage would be declined.

Mr. Gardner contends that because of the acts of the agent, he cancelled the policy with Equity Life which would have provided coverage for some of the illness and hospital bills, and in addition because of his present physical condition and the past physical condition of Mrs. Gardner, it is impossible for him to obtain other similar insurance.

49th Annual Report

HIGHLIGHTS OF 1954

\$454,882,784.00

LIFE INSURANCE IN FORCE which with comprehensive disability insurance plans now protect more than a half million people.

\$100,483,810.72

BENEFITS PAID SINCE ORGANIZATION with over 60% to living policyowners—proof that insurance is also for the living.

\$65,387,205.67

TOTAL RESOURCES principally in high grade bonds and carefully selected home mortgages—99% of bonds rated A or better with no loan delinquent.

\$55,134,999.00

RESERVES FOR FUTURE BENEFITS—with interest and future premiums more than ample to pay all policy benefits as they mature.

\$5,644,899.04

CAPITAL AND SURPLUS FUNDS that provide above average margin of security with 109.45% ratio of resources to obligations.

Our
Fiftieth Year

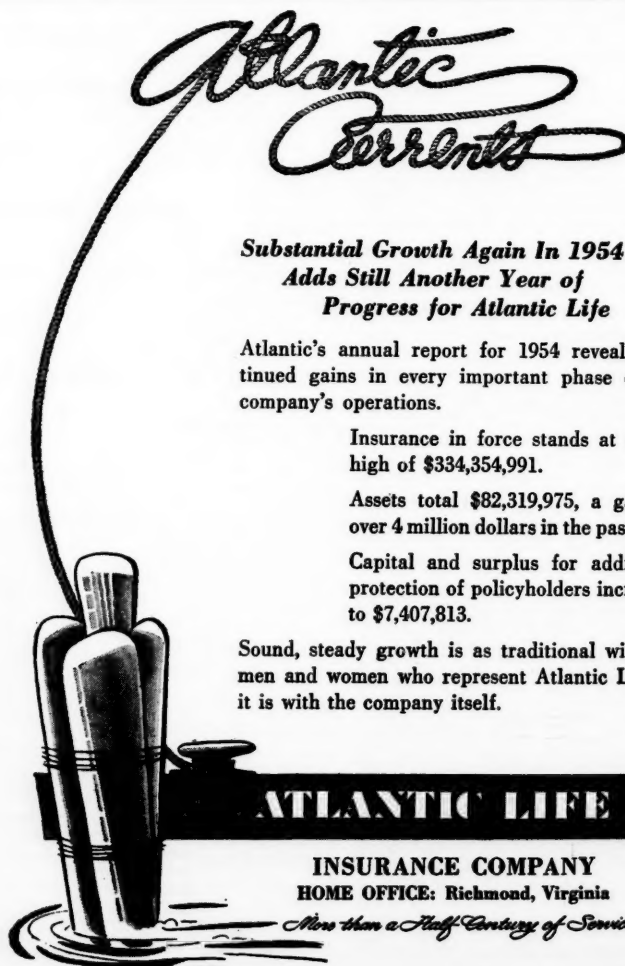
Copy of 49th Annual Report
including list of securities owned
mailed on request

WEST COAST LIFE

INSURANCE COMPANY
HOME OFFICE • SAN FRANCISCO

Harry J. Stewart, President

LIFE • ACCIDENT • SICKNESS • GROUP



Atlantic Life

**Substantial Growth Again In 1954
Adds Still Another Year of
Progress for Atlantic Life**

Atlantic's annual report for 1954 reveals continued gains in every important phase of the company's operations.

Insurance in force stands at a new high of \$334,354,991.

Assets total \$82,319,975, a gain of over 4 million dollars in the past year.

Capital and surplus for additional protection of policyholders increased to \$7,407,813.

Sound, steady growth is as traditional with the men and women who represent Atlantic Life as it is with the company itself.

ATLANTIC LIFE

INSURANCE COMPANY
HOME OFFICE: Richmond, Virginia
More than a Half-Century of Service

Managers Who Build High Morale Are Rewarded with Top Producing Agencies, Says Don Gatchell

Managers of top producing agencies are doing a good job of building high morale among field men, Don Gatchell, agent at Yankton, S. D., of Bankers Life of Iowa, told the life agency management conference at Ohio State university at Columbus.

Morale, said Mr. Gatchell, is the "mental attitude toward all features of a person's work and toward all the people with whom he works." Field men want a manager to be interested in them as persons, not just for financial gain. They want him to put their success and well-being ahead of his own.

Field men expect a manager to take a personal interest in their families, continued Mr. Gatchell. "We expect you to include our wives in the little agency family and have them at agency meetings, or at least the dinners and parties." The social contact, he opined, is important because it keeps managers from becoming aloof to their field men and their wives.

The manager should be someone in whom the agents may confide, he said. He is in the logical position to hear business and personal problems, and have a genuine attitude of helpfulness that will aid and encourage field men.

Agents should feel a sense of per-

sonal worth through the principle of recognition. "Treat us like human beings; avoid an overbearing attitude; suggest, but don't criticize." Agents prefer a demonstration to a lecture.

Field men want to be treated alike, without partiality or favorites. They want a manager to fight for them in time of trouble. There is nothing harder on morale than having the home office give a field man trouble, and then not having the manager go to bat for him.

Field men are disturbed when a manager competes with them for business, because his greater ability and prestige will make them feel insecure, Mr. Gatchell said.

Field men, he explained, want their managers to be well informed about life insurance, skilled in efficient ways of selling it, and able to train and supervise agents so they may use these methods successfully.

Knowing and using specific methods for applying the principles of security and recognition is another essential to

building morale, said Mr. Gatchell. "We expect you to be kind and human—in other words, be friendly." This creates loyalty and a desire to work for the manager. Agents want a manager to practice what he preaches and be a good listener. They would like their manager to drop by for a chat at their desks.

"Too, we expect you to help us save face," said Mr. Gatchell. "By that I mean, whenever we have made a mistake or done poorly, give us every chance to save face, don't damage our self-respect by criticisms, for example, in agency meetings. Don't criticize. Suggest, and please do it in private!"

Field men expect a manager to bring men who want to be professionals into the organization. They want good refresher courses to keep them up to date. And they expect the manager to know his subject, be skilled at selling, and able to train and supervise. He should encourage the field men to identify themselves with the agency's aims because the human trait is to feel "the most important thing in the world to me is myself." This will create a closer bond and a feeling of teamwork and pride within the agen-

cy, a main ingredient to success.

The manager should be a leader, not a boss. "The boss drives his men; the leader coaches them."

If an agency manager builds up a reserve of high morale in prosperous times, he has it to draw upon when the going is difficult, Mr. Gatchell said. No manager, however great, can have a successful agency if the morale of his salesmen is broken.

Bankers Life Record

Bankers National Life increased March ordinary production 21% and over-all business 30%, making it the largest month in company history. Paid-for ordinary increased 17.5% and all life business rose 32% during the first quarter. The average size ordinary policy increased to \$7,534, compared to \$6,601 in the first quarter of 1954.

40 Agents at Spokane Parley

The 40 Inland Empire agents of Ohio National Life attended a special meeting at Spokane, presided over by Paul E. Garrett, manager. Attending from the home office were M. R. Dodson, executive vice-president, and Grant Westgate, agency vice-president.

Philippine American Life Gets High Honor

An example of how successful private American investment can serve the economic and social interests of many foreign countries has been made public in a report issued by National Planning Assn. of Washington, D. C., on the operations of the Philippine American Life of Manila. The 94-page report, in surveying the diverse activities of the company, makes a special point of assessing the degree of integration the company has achieved in the Philippine economy and its acceptance by the Philippine business community and public as a contributor to the national welfare.

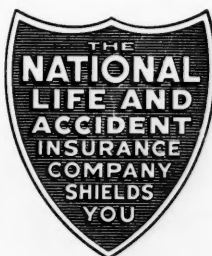
The report on Philippine American Life is the third in a series of case studies being conducted by National Planning Assn. on U. S. business performance abroad. NPA is a non-profit, non-political organization of leading Americans from business, agriculture, labor and the professions studying national and international economic problems.

The report says the company is the leading company in the Philippines, accounting for nearly half the total number of policy holders in the island, and about 40% of the total business in force. While it is almost entirely owned by American Life of Delaware, a member of the American International insurance groups, the company is staffed, with the exception of four executive posts, by Filipinos.

By and large the policyholders are drawn from the medium income groups. The amount of life insurance carried by the average policyholder is a little less than his annual income—an amount that compares favorably with average coverage in the United States. The report points out that for the most part Filipinos view life insurance as a method of saving with contingency as a secondary benefit. Over 90% of all the company's individual policies are endowment plans, with the 20-year endowment by far the most popular.

ALL OUR POLICIES ARE SPECIAL

We think all our policies are pretty "special". Regardless of size or plan, each policy is designed to do a certain job, — to fill a certain need based on the policyholder's situation, — and that's the way we like to sell life insurance to people.



THE
NATIONAL LIFE
AND ACCIDENT
INSURANCE COMPANY
HOME OFFICE — NASHVILLE, TENNESSEE

EDITORIAL COMMENT

Commissioner Speaks Up for Insurance

There is a growing recognition that the battle of federal vs state insurance regulation may not be won in hearing rooms of the federal trade commission (or some other federal agency) and very likely not by going hat in hand to wait upon federal or Congressional personnel; but that the contest may be decided at the state level. In this connection the story of Commissioner Gillooly of West Virginia is significant.

The real character of the substantial alteration in insurance regulation wrought 10 years ago by the commerce decision is now becoming fully apparent to regulatory authorities and the business. With that decision the Supreme Court took down the "no poaching" signs which the states had been able to keep up and enforce for 75 years, and Congress replaced them with signs reading "no poaching, if".

The 1944 decision declared the ascendancy of the federal government, but Congress very graciously allowed the states to retain their jurisdiction. However, Congress did so with the proviso that the states do an adequate job of regulation. It is now becoming clear that what this means is that Congress will permit the states to regulate insurance as long as Congress, in its wisdom, believes the states are doing a good job. But it will be the judgment of Congress and the federal government as to whether the states are doing an adequate job. And they can exert this judgment at any time, as they have been doing with increasing frequency the last two years.

To the full implications of the change, many of the regulatory authorities have begun to respond in the last year or two. There is an uneasy feeling among commissioners that they may lose some of their jurisdiction. There is inherent in this possibility of losing part of their jurisdiction the threat of losing it all.

In working out a solution at the state level, all of those in the business interested in preserving state regulation are going to have to work together. In several states the business and the regulatory authorities have cooperated effectively in the interest of what they believe to be more effective regulation, and regulation more closely identified with the needs of the people because it is at the local level rather than federal.

Thomas J. Gillooly is a capable insurance commissioner who is trying to do a good job in his state. He found

himself considerably hampered by lack of funds and by out-of-date legislation or lack of laws. He needs good working tools to do a good job.

With these needs pressing him, Mr. Gillooly went to work at the last session of his legislature. He had a program of 10 items, including additional funds to add to department personnel, much needed legislation in the A&H field, the area where the FTC is boring in, and changes that make it possible to discipline insurers and producers in a practical way.

Of this list, Mr. Gillooly got all but one. The success of his efforts to do so were greatly enhanced by the cooperation of the insurance business. The attitude and the assistance of those who worked with Mr. Gillooly made a profound impression upon him because of their sincerity of purpose and their interest in good government for the business. This impression was so strong that Mr. Gillooly plans to canvass West Virginia as a missionary for the business. He has indicated that he will spend a considerable amount of time during the remainder of the year talking to civic clubs over the state on behalf of the insurance business.

This is a unique position for a regulatory official to take, and the effect should be felt for a long time to come by the public and the business.

Mr. Gillooly's is an unusual effort. Yet what could be more natural than for an insurance commissioner to desire a better relationship between the public and the private insurance business, to strengthen the confidence of the public in the large and important business which he supervises and about which he can speak, for the public, with such authority? The public has been told a good deal about insurance rackets. The other side of the story, which is a much truer one, ought to be told, and here is a man who is going to tell it. Why shouldn't the public understand that insurance companies are almost 100% decent and respectable people who want to do a decent and respectable job? Why shouldn't the insurance commissioners be telling the public that there are limitations to the insurance mechanism, perhaps most vividly exemplified in the A&H business; that, as is true in all other human activity, the public gets about what it pays for?

Why not indeed? They should. But Mr. Gillooly is one of the few, if not the only one, to plan it.

The real story of insurance from an insurance commissioner will be regarded with attention and respect. The insurance people themselves could say this, they do not say it enough. But how much more effective when the insurance commissioner says it. This is the kind of program that will keep the federal poachers off the insurance preserve.

agers Assn., and New England Mutual's general agents association.

CHARLES A. LUKER, 61, retired vice-president in charge of field management for National Life and Accident, died at Nashville after a heart attack. He joined the company in 1928 and served as superintendent at Nashville before going to the home office. He was named vice-president in 1952 and retired in 1954.

MARGARET K. MILLS, 38, cashier for 18 years for Pacific Mutual Life at Grand Rapids, Mich., until its offices were recently moved to Detroit, died at her home in Grand Rapids. For the past five weeks she had been cashier there for New England Mutual Life.

ISAAC N. HUGHES, 75, former manager of Metropolitan in Syracuse and Poughkeepsie, N. Y., died at his home in Utica, N. Y.

N. Y. Committee to Study Health Cover

The New York legislature has created a joint legislative committee to study the present extent of voluntary A&H coverage in the state and to recommend ways and means of extending such coverage to more persons.

The study will include determining the number of people not covered, or not adequately covered, by A&H and their distribution by occupational groups and places of residence, the extent of coverage by voluntary plans and by plans provided by government or industry, and the extent of coverage of particular illnesses and disabilities.

The committee, to be composed of three senators and three assemblymen, was given \$35,000 and may meet in or out of the state to take testimony and hold hearings.

It is to report its findings by next March 1 and submit legislative proposals to put into effect its recommendations.

Apparent Good Health Rule Made in Cal.

The rule of apparent good health, which gives a more liberal construction to the good health provision of a life insurance policy, has been established in California by the decision of the California district court of appeals in *Brubaker vs Beneficial Standard Life (CCH 2 Life, A&H 123)*.

Both the trial court and the appellate court rejected the Massachusetts rule which requires that an applicant be in actual good health at the time of the delivery of the policy.

In this case insured found, after the policy was delivered, that he was afflicted with advanced cancer. But, the court decided, he had acted in good faith and without the knowledge that he was ill when he made the statements that he was in good health in his application for insurance.

PERSONALS

James B. Parten, whose appointment as manager at Atlanta for Bankers Life



James B. Parten

of Iowa was reported in last week's issue, succeeds Frank W. Allcorn. Mr. Allcorn has resigned to return to personal production in the agency.

Mr. Parten started in insurance in 1950 as an agent for Lincoln National Life at Atlanta. He went with Occidental Life of California there as brokerage manager three years later.

Carrol M. Shanks, president of Prudential Life, and **W. Paul Stillman**, chairman of Mutual Benefit Life, have been appointed chairman and a member, respectively, of the newly-created Newark fiscal advisory board which will advise the city government on financial policies and fiscal management practices.

Alfred J. Bohlinger, former superintendent of the New York state insurance department, has been named a director of City Title of New York City.

DEATHS

WALTE D. CROSS, former assistant manager of agencies of Provident Mutual Life, died at his home in Bywood, Pa. He joined the company in 1901 at the home office, later went with the Philadelphia agency, in 1923 transferred to the home office as assistant to the manager of agencies, and retired in 1947.

EDWARD W. ALLEN, 82, formerly a partner of H. Arthur Schmidt in what is now the Schmidt agency of New England Mutual in New York City, died in Point Pleasant, N. J., hospital. Mr. Allen, who was retired and lived in Bay Head, N. J., had been president of New York City Life Underwrites Assn., New York City Life Man-

THE NATIONAL UNDERWRITER

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LAPSES

Cause Underwriter Touchy Problems

By DR. HARRY DINGMAN

So he lapsed? Not you, your client. Shame on you! He lapsed. Now he wonders what to do. You too. Agent, we gotta scold you. He lapsed. Your client. He's now as good as ever he was? Lucky he, lucky you.

Reinstatement appraisal to protect a policy that has lapsed has special legal angles over and above usual considerations of insurability and personal relationships. A lapsed policyholder has a contractual right for reinstatement provided he presents evidence of insurability that is satisfactory to company. Therefore it is his right to know what evidence is required. And if evidence is unsatisfactory it is his right to know why.

A life insurance contract is an asset and the holder thereof has legal right to protect it. If company has adverse impressions that make it seem necessary to refuse to reinstate, client is entitled to opportunity to refute information that may be false. Company must not act arbitrarily or capriciously. It would be contrary to agency morale and public policy to do so at time of initial application. It is contrary to policyholder legal rights to do so at time of reinstatement application.

In first instance the individual can protect his interests by applying elsewhere. In second instance he is considered to have made material investment in the contract he purchased. It has property status, and, logically, and legally, he should be able to protect his property.

In the main, insurability requirements for reinstatement are physical, financial, and moral. Financially, the individual can be asked to present evidence of economic worth and earnings. Ordinarily, statements from agent and inspection company suffice. Physically, applicant can be asked for medical tests and attending physician reports. Ordinarily his own statement of health is enough. If medical evidence is desired because of length of lapse or suspected impairment, it may be short form, regular form, or special form of medical examination that is desired, and company is justified in asking policyholder to pay for it. In some instances the file may contain privileged information concerning a rejectable impairment.

Should policyholder be asked to submit to medical examination at his own expense when it is obvious that his application can not be approved? Legally, yes. He is entitled to his opportunity to submit evidence in refutation of any adverse information the company may have. Practically, the company discourages a hopeless expense if the individual is known to have had, say, a blood pressure reading of 200/110. In occasional instances company may receive adverse information on habits or morals. Should client be told? Legally, yes. Practically, it may be more embarrassing to policyholder than company. He may not wish to be told. In most such instances he knows why. If he insists on being told what the reason is it may be well to advance the

idea interrogatorily rather than assertively. Have you ever been arrested? Have you ever been in bankruptcy? Have you ever been criticized for habits or telephone numbers?

This is an excerpt from the new edition of "Risk Appraisal" by Dr. Harry Dingman, vice-president of Continental Assurance. Acknowledged as an authoritative work throughout the insurance world, more than 800 life and A&H companies use the book as a basic text. It has received enthusiastic praise from many million dollar producers. The new edition now is available from the National Underwriter Co., 420 East Fourth street, Cincinnati, or any of its branch offices. The price is \$12.50.

Cal. Bill on Powers of Commissioner Is Studied

LOS ANGELES—A bill introduced in the California legislature by Sen. Grunsky to add a new section to the California insurance code relating to the powers of the commissioner in respect to taking action against insurers has been receiving considerable publicity in the daily press. The senate committee on financial institutions had a hearing on the proposed measure last week, but action was not taken because Sen. Grunsky wanted further time to study the bill and consider amending it.

Commissioner McConnell of California attended the hearing, and told the committee he understood the bill was "to specify standards of due process of law and that I also believe in due process of law; if and when a bill is amended and reintroduced I will study it with the aid of my staff of attorneys."

Would Take Insurance Regulation from FTC

WASHINGTON—The Hoover commission has proposed that an administrative court be set up to deprive the federal trade commission and other federal agencies of jurisdiction over regulation of interstate commerce in many fields, including insurance where FTC claims jurisdiction.

Trophy to Bare Agency

The New England Mutual's president's trophy for all-around agency achievement was presented to the Bruce Bare agency, Los Angeles, in a special ceremony there. Lambert M. Huppeler, vice-president, made the presentation.

Several New Officers Elected by Continental Companies

Howard C. Reeder, executive vice-president and a director of Continental Assurance, has been elected a director of Continental Casualty, and J. M. Smith, 1st vice-president and a director of Continental Casualty, has been elected to the board of Continental Assurance. Several new officers were elected, Richard H. Samuels, financial secretary, becoming a vice-president of both companies; C. R. Carpenter becoming a vice-president of Continental Casualty; Jacque W. Sammet becoming counsel of both companies; Oliver M. Townsend assistant general counsel of the life company, and Guy Strafer assistant secretary, becoming assistant treasurer and assistant secretary of both companies.

The election of Mr. Carpenter was reported last week.

Mr. Samuels has been with Continental since 1936, starting as an investment analyst. He was made head of the investment research department in 1940 and assistant treasurer of both companies in 1950.

Mr. Sammet started in the claim department of Continental Casualty in 1940. After service in the marines, he rejoined the company and in 1951 became assistant manager of the marine department.

Mr. Townsend joined Continental Casualty in 1942 as assistant tax attorney, later becoming tax attorney and finally associate counsel for both companies.

Mr. Strafer was with the Harris Trust & Savings Bank, Chicago, before joining the Continental in 1945 as head of the security training department. Subsequently he was selected assistant secretary of both companies.

Two Named in Calif.

Thomas W. Norton has been appointed assistant to the chief of the compliance, and legal division of the California department, and Edward J. Germann has been named associate counsel in the same division. Both will



President Thomas A. Bradshaw, left, and Chairman M. Albert Linton, cut the cake commemorating the 90th anniversary of Provident Mutual Life at the sales meeting at Boca Raton, Fla.

continue to function in the Los Angeles office.

D. C. Non-Occupational Disability Bill Opposed

WASHINGTON—The department of labor has prepared a non-occupational disability bill for the District of Columbia that would give workers injured off the job maximum weekly benefits of \$30 for 26 weeks.

At a hearing before the district commissioners, the board of trade opposed the measure, which is also receiving opposition from the insurance business.

Conn. General Makes \$5 Million Hotel Loan

Connecticut General Life has made a \$5 million mortgage loan on the Fontainebleau hotel in Miami Beach, among several investments it has made in resort property in Florida.

Doherty Lansing Speaker

LANSING—John Doherty, Lansing manager of Retail Credit Co., addressed Central Michigan A&H Underwriters Assn. here on insurance and claim investigating. The group also heard a discussion of bills affecting insurance now before the state legislature.

THE EQUITABLE LIFE INSURANCE COMPANY OF IOWA

is now admitted to do business in the
State of Florida

GENERAL AGENCIES WILL BE ESTABLISHED IN
JACKSONVILLE

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TAMPA

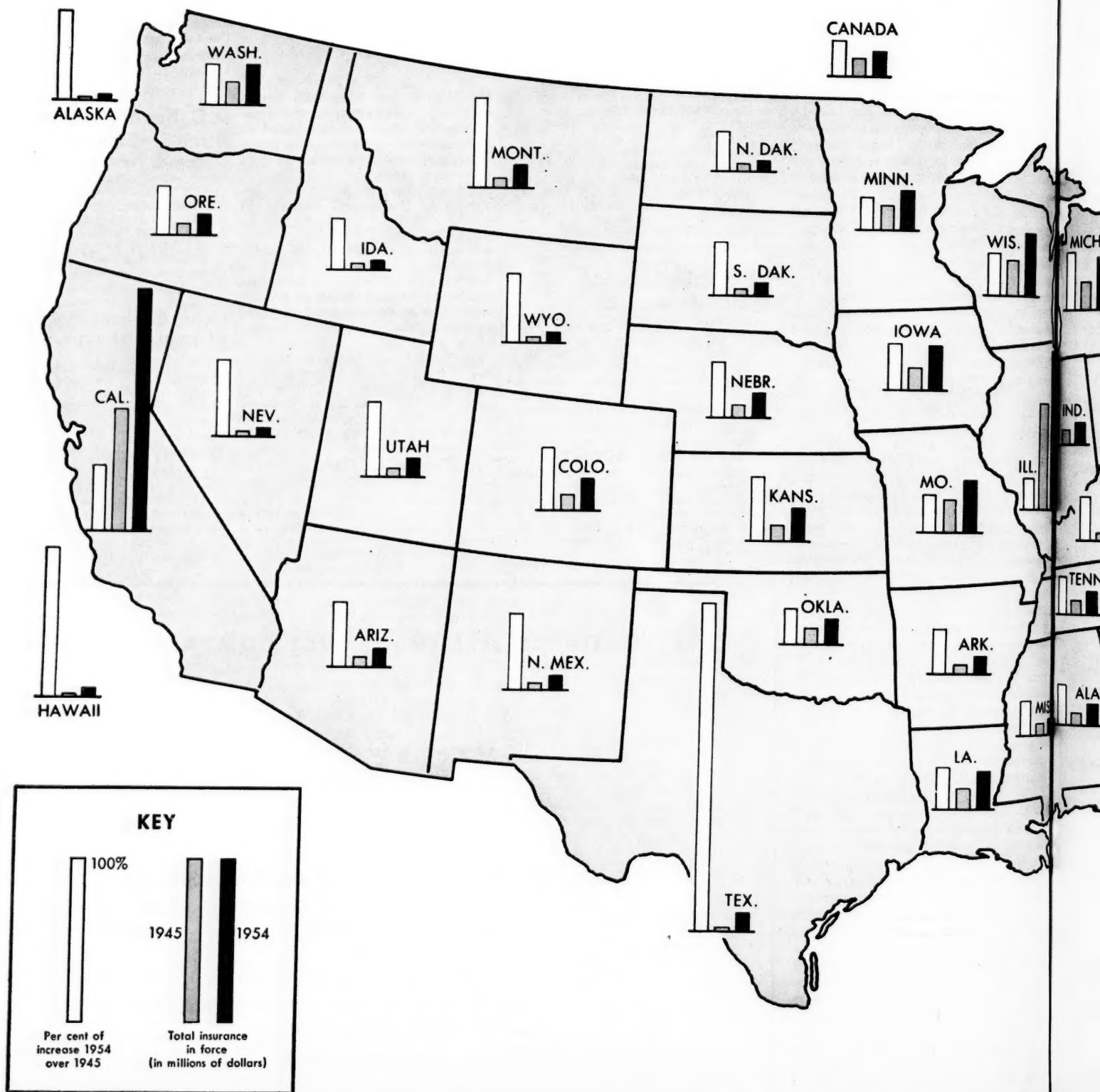
Qualified life insurance men, well established within the
State of Florida, will be given first consideration for general agency appointments.

Please address all inquiries to

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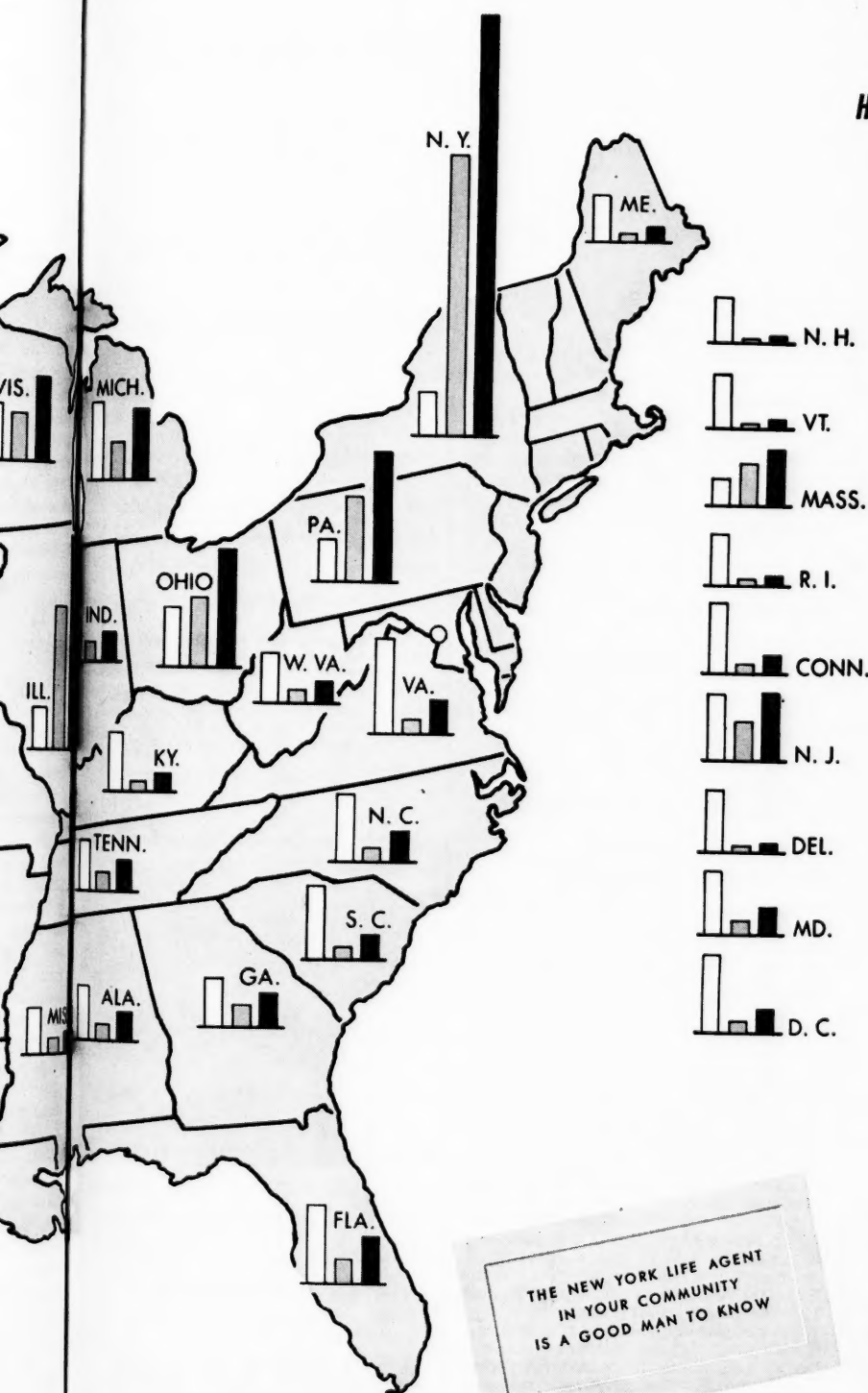
Chart shows nationwide



Insurance Force Continues to Climb!

vidincrease—1945 to 1954

Figures for the United States, Canada, Alaska and Hawaii as Published in New York Life's 1954 Annual Report!



Total Insurance in Force
December 31, 1954 vs. 1945
(in millions of dollars)

Per Cent of
Increase
1954—1945

	1954	1945	
Alabama	\$ 159	\$ 98	62%
Arizona	123	61	102
Arkansas	108	63	71
California	1676	824	103
Colorado	213	105	103
Connecticut	101	55	84
Delaware	24	14	71
Dist. of Columbia	119	61	95
Florida	222	115	93
Georgia	172	109	58
Idaho	54	29	86
Illinois	1093	733	49
Indiana	152	99	54
Iowa	302	172	76
Kansas	211	101	109
Kentucky	90	54	67
Louisiana	246	150	64
Maine	89	57	56
Maryland	140	77	82
Massachusetts	300	226	33
Michigan	372	194	92
Minnesota	276	181	52
Mississippi	107	68	57
Missouri	366	226	62
Montana	157	62	153
Nebraska	160	85	88
Nevada	52	23	126
New Hampshire	32	21	52
New Jersey	368	201	83
New Mexico	81	36	125
New York	2195	1453	51
North Carolina	156	87	79
North Dakota	70	43	63
Ohio	613	355	73
Oklahoma	189	121	56
Oregon	150	83	81
Pennsylvania	673	451	49
Rhode Island	42	26	62
South Carolina	122	65	88
South Dakota	83	44	89
Tennessee	167	105	59
Texas	124	19	553
Utah	127	57	123
Vermont	41	25	64
Virginia	168	77	118
Washington	283	167	69
West Virginia	100	64	56
Wisconsin	426	253	68
Wyoming	57	27	111
Alaska	32	13	146
Hawaii	62	18	244
Canada	192	125	54

NEW YORK LIFE
INSURANCE COMPANY

51 Madison Avenue, New York 10, N. Y.



THE OHIO NATIONAL LIFE INSURANCE COMPANY CINCINNATI

A. J. ULLMAN, GENERAL AGENT
BOX 212
SALEM, OREGON



Dear Al:

Here are a few of the many good reasons why I have enjoyed being associated with The Ohio National for the past twenty years:

The Company is progressive and agency-minded in the truest sense.

The lines of communication between the field man and home office executives are always open to promote mutual understanding and trust.

Thanks to frequent personal visits in the field, our agency officers are well informed and take a sincere interest in daily problems of the individual agent.

New and effective sales aids of all descriptions, including a topnotch Direct Mail service, help the field man boost his production and income.

The Ohio National is my kind of Company.

Sincerely,

A. J. Ullman

Life Policies Are Twice Size of Those Sold 10 Years Ago

The average size life policy sold today is about twice that of 10 years ago, according to Institute of Life Insurance. At the same time, the number of policies bought is running about twice the total of 10 years ago, with the result that the 1954 sales of new life insurance were 3½ times the 1944 purchases.

In 1954, the aggregate of new life insurance was an estimated \$47,600,000 involving 31,700,000 separate policies or certificates. In 1944, the year's sales totaled \$13,513,000,000, with only about 18 million policies involved.

Increases have been shown in the average size of all types of life insurance policies. The greatest share of the aggregate sales is the regular ordinary life policy, the larger-unit contract individually bought. Sales of this type totaled about \$25 billion in 1954. The average size of such policies was about \$3,700, according to preliminary estimates. This compares with \$2,100 in 1944 and \$1,700 in 1940.

The average size of industrial life insurance policy was also materially above that of 1944. The 1954 purchases of industrial insurance totaled an estimated \$6,600,000,000 and the average size of these purchases was in the neighborhood of \$460. In 1944 the corresponding average was \$270.

Group life insurance sales, exclusive of group credit policies, totaled more than \$13 billion in 1954, averaging about \$3,400 per individual certificate, while in 1944, the average was \$1,900.

The credit policies currently sold average in the neighborhood of \$450, which is more than twice the average of 1944. Credit life insurance outstanding has increased more than 30-fold in the past 10 years.

When Insurance in Force Subject of Ruling by Supreme Court of Cal.

The question of when an insurance contract is in force was ruled on by the California supreme court in affirming a lower court decision against Penn Mutual Life.

The disputed clause is in the application which the insured signed and upon the basis of which he paid the first premium: "If the first premium is paid in full in exchange for the attached receipt signed by the company's agent when this application is signed, the insurance shall be in force subject to the terms and conditions of the policy applied for... provided the company shall be satisfied that the proposed insured was at that date acceptable... but that if such first premium is not so paid or if the company is not satisfied as to such acceptability, no insurance shall be in force until both the first premium is paid in full and the policy delivered..."

In ruling that insurance was in force, the court cited the opinion of Judge Learned Hand, eminent federal jurist, that an application must be construed as it would be taken by the ordinary applicant, and that such a person would assume that he was getting immediate coverage for his money. He would not understand that he was left uncovered until the company at its leisure approved the risk. The court quoted another opinion to the effect that if the company did not intend that the insurance should be effective from

the date of the application, it would be obtaining a premium for a period during which there was no insurance. The case is reported in 1 CCH Life H&A 1116.

• Seth C. Macon, superintendent of agencies of Jefferson Standard Life, described complications surrounding family security in old age and disaster periods in a talk on life insurance and social security at the finance forum for women in Whiteville, N. C. The two-day forum was sponsored by First National Bank of Whiteville and the Whiteville Women's club.

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IF YOU LIVE

in Connecticut, New Jersey, Ohio

or

Pennsylvania, Michigan, Illinois

or

Indiana, West Virginia

BECAUSE

you may become eligible for one of our new, modern, and different contracts in which we offer unusual and special benefits to the first

"LUCKY FIFTY"

who will be signed up in our agency building expansion program under which, if selected, you will receive:

Absolute Top Commissions • Excellent Vested Renewals • Direct Home Office Contract and Cooperation • Competitive Participating Rates • All the up-to-date Life Plans and Supplements • The Latest Coupon Investment and Savings Plan • Non-cancelable, Guaranteed Renewable Hospital - Medical Expense Policies.

BE AMONG THE "LUCKY FIFTY"

Write for confidential information to HAROLD C. VOLLMANN, Vice President and Director of Agencies

AMERICAN LIFE INSURANCE ASSOCIATION

Bridgeport 5, Connecticut
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LIAMA Combination Companies' Card Set

The theme of the annual combination companies spring conference of LIAMA April 25-27 at Virginia Beach, Va., is "The President Wants to Know." David F. S. Johnson, vice-president of Interstate Life & Accident, is chairman of the sponsoring committee.

Eldon Stevenson Jr., president of National Life & Accident, will keynote the conference and four panels will consider questions and solutions to problems he will bring up.

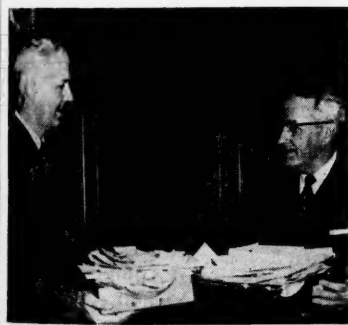
Leonard W. Ferguson, LIAMA research associate, will give a progress report on the combination inventory selection tool and will summarize answers to questions which have been asked by companies using the tool. Rufus E. Fort Jr., vice-president of National L. & A., will moderate a panel on improving manpower.

The second day's session will begin with a discussion by Donald Bramley and Stanford Y. Smith, senior consultants of LIAMA, who will describe methods used by some companies to incorporate the LIAMA text, *Managing a District*, into their training programs. The panel on supervision will be moderated by Fred I. Wunderlick, vice-president and superintendent of agencies of Baltimore Life. Walter H. Saitta, vice-president of Peninsular Life, will moderate the panel on business management.

The third session will open with a panel on sales management moderated by Gordon S. Woolsey, assistant superintendent of agencies of London Life. Charles J. Zimmerman, LIAMA managing director, will deliver the closing address.

Interpleader No Sure Refuge Against Rival Claims, Court Rules

When rivals claim insurance proceeds and the company delays payment, filing an interpleader action asking the court to decide, it had better be sure, at least in Illinois, that both rivals are claimants within the meaning of the interpleader act. If not, it is liable for payment of amount due.



Ralph E. Kiplinger, right, president of Guarantee Mutual Life of Omaha, is shown receiving trays of greeting cards received during the closing days of the annual President's Month Campaign which this year set a new high in paid business for one month. With him is J. D. Anderson, agency vice-president.

The company also registered its greatest paid production for a first quarter, exceeding the figure for the same period in 1954 by 31%. New business in March was 20% above that for President's Month last year. Leading producer during March was Glenn Spearow, Sidney, Neb., and the Anthony Novara agency at Detroit led all agencies.

interest and attorney fees to the qualified claimant. This was brought out in a decision of the federal court of appeals for the seventh circuit affirming a lower court decision against John Hancock.

In this case the named beneficiary was the wife of the insured, from whom he was separated. At the time of his death he was living with his daughter. In a letter to the company after his death the daughter contended that she and the insured had been informed erroneously by a company employee that the beneficiary could not be changed, but, she wrote, the policy had been intended for the insured's medical and burial expenses, which she in fact paid herself.

At the time she wrote this letter, the daughter had in her possession a duplicate policy in which it was clearly provided that the beneficiary might be changed. Although it may have been possible for her to institute a tort action based on the alleged misinformation given to her by an employee of the company, the company had no reason to assume that she had any legal claim on the proceeds of the policy itself. Instead of amounting to a claim of right, her letter could be considered only as a plea for help. (1 CCH Life A&H 1127).

Agency Awards Given at State Mutual Meet

B. W. & D. W. Ayers agency of Worcester, Mass., was awarded the State Mutual Life president's cup for the second consecutive year at the annual general agents' conference at Hot Springs, Va. The agency builders award went to Bernard S. Rosen agency, Denver, for the third consecutive year for its outstanding accomplishments in recruiting, training and supervising career underwriters.

Nothelfer-Leck agency, Chicago, was runner-up for the president's cup and Richard F. Wagner agency, Boston, was second in line for the agency builders' award.

Both the Worcester and Denver agencies produced more business last year than in any previous year. Worcester led all the agencies in ordinary paid-for sales and Denver led in the sale of non-cancellable A&S.

John Hancock Expands Southern Group Office

Consolidating its entire southern group operations into one office, John Hancock has opened new and enlarged quarters in the Rhodes Haverty building, 134 Peachtree street, Atlanta. The group sales and service office and the group claims office have moved to the new quarters.

John P. Clos, manager at Atlanta, assisted by Charles Hamilton, will head the sales and service activities in Georgia, North and South Carolina. John H. Reid, formerly manager at Atlanta, has been named group annuity specialist for the southern region, and Edward P. Hughes has been named southern group claims manager.

Shows 18.6% Rise

Sales of life insurance by Jefferson Standard during the first quarter of 1955 amounted to \$47,038,302, an 18.6% increase. A record gain of \$27,982,170 during the first three months brought the insurance in force to \$1,352,422,683.

19 Get \$1 Million Club Keys

Equitable Society has named 19 agents to wear its Million Dollar Club key this year. To be eligible for the key, an agent must qualify three times for the club, which requires an agent to do at least \$1 million of paid ordinary business in a year.

PAID UP?



Occidental agents and brokers using our new visual sales presentation—PAID UP?—will find it solves the problem of getting the prospect's attention, and keeping it long enough to tell the story of Occidental's outstanding Group Term and Paid Up plan.



Occidental Life INSURANCE COMPANY OF CALIFORNIA

HOME OFFICE ★ LOS ANGELES

"WE PAY AGENTS LIFETIME RENEWALS...THEY LAST AS LONG AS YOU DO"

SERVICE sells A. A. L. life insurance

Service By Field Force:

A.A.L. representatives are qualified to give service in the fields of estate analysis and business insurance.

Service By Home Office:

Retirement benefits and claims are paid promptly. Over \$85,000,000 since organization.



This is the trademark of:

**THE UNDISPUTED LEADER
IN THE FIELD OF
LIFE INSURANCE FOR LUTHERANS**

Aid Association for Lutherans

Legal Reserve Fraternal Life Insurance

Home Office:

Appleton, Wisconsin

Life
A & H
Group
Franchise
Hospitalization
Brokerage
Reinsurance

life insurance in force exceeds

\$730,000,000.00

PLUS: One of the most advanced agents training programs in the nation . . . Supervised offices . . . Trained Group men to assist agents . . . An alert Underwriting and home office staff . . . Top commissions.

REPUBLIC NATIONAL LIFE

INSURANCE COMPANY

Theo. P. Beasley, President

Home Office, Dallas

Here's the rule
by which we measure
all that we do . . .

the KEYSTONES of HEALTHY PROGRESS
are SAFETY, INTEGRITY and SERVICE

following this rule,
we have accomplished
a 60% increase in insurance
in force in the
last five years.

Attractive Opportunities for Agents

in 11 Western and Midwestern States

For Complete Details
Write To
R. D. CANNELL
Agency V.P.

UNION NATIONAL
Life Insurance Co.
1325 W. ST.
LINCOLN, NEBRASKA

National Life of Vt.

Has 16% Quarter Gain

National Life of Vermont's paid business for the first quarter was \$48,787,141, up nearly 16%. March sales of \$17,678,374 were 18.69% ahead.

The first 10 agencies in the quarter were Dillon, Atlanta; Hodes, New York City; Johnson, Chicago; Stoessel, Los Angeles; Burroughs & Hatch, Manchester, N. H.; Kellam, New Canaan, Conn.; Richardson, Roanoke, Va.; Robinson, Detroit; Haseltine, Cleveland, and Allison, Milwaukee.

Pan-American's March Campaign Tops Records

The annual president's month campaign of Pan-American Life, held in March, was the most successful in the company's history, bringing in more than \$20.6 million of submitted business. Of this amount, more than \$1,570,000 was written by the home office agency under the supervision of Fisher E. Simmons Jr.

Howell Discusses Insurance Future at Pru Conference

(CONTINUED FROM PAGE 5)
cerning the equity of the dividend policy which is followed by some or all the present day mutual life companies, Mr. Howell said.

The truth is, he said, that the cost of writing new business in any of the present mutual life companies is paid for out of the premiums paid over the years by the new policyholders themselves. If the cost of the new business is unduly high, it has to be borne by newcomers, and if it is moderate, no one is penalized. It is the actuary's task to see that each group of policies in the same dividend class is followed through from time of issue to the termination of the last policy in the group.

He said it was evident to him that the only effect of new business can be to lower, temporarily, the surplus of the company without affecting the dividends on existing policies or impairing policyholders' security. The decrease in surplus will always be rectified out of future earnings on the new policies.

The value of advertising should be related to the size of the company's sales force, Mr. Howell said. There is little point in letting millions of prospects hear favorably of a company through national radio or TV when it does not have enough salesmen in the vicinity to serve and advise those prospects.

Advertising in national magazines is much more expensive, proportionately, for a small company than for a large one. If a company has insurance in force of \$7 billion and spends \$2.5 million in national advertising, that is about 30 cents a year per \$1,000 of insurance. But if in force is \$45 billion, then the expenditure is only 5 cents per \$1,000.

What is sound and best for one company may not be so for another, he said. Judgment as to soundness and excellence varies according to whether one is considering the welfare of the policyholders or the broader, but related, question of the welfare of the community as a whole.

Touching on variable annuities, Mr. Howell said many people have expressed the need for a contract that would reflect changes in the purchasing power of the dollar. "We are now giving serious thought to this problem and if a practical answer can be found, we

shall attempt to find it," he said, speaking for Prudential.

"I might sum our policy up by saying that we are not going in for crackpot schemes, but if an insurance idea is sound and workable, and if there is a real need for it, Prudential is going to meet that need unless we can be shown some pretty conclusive reasons why we should not do so."

He said he was not too happy about the emphasis on 20-year net costs that have recently been appearing in advertisements. In the case of new plans on which no experience has been accumulated, such figures must inevitably be equivalent to dividend estimates, he said. Whether the results will be more or less favorable will depend entirely on future conditions. He said he looks back on the grief that companies encountered many years ago in connection with advertisements featuring deferred dividend results and wonders whether the business is not letting itself in for trouble in the future in this area.

March, 1st Quarter Sales Set N. W. National Highs

Written sales of \$12,283,000 made last month the best March in Northwestern National's history. Sales were 55.6% ahead of March a year ago and resulted in a first quarter written total of \$34,439,000, also a record.

The legislative committee on retirements and pensions has endorsed a rewritten bill to provide group life insurance and an equal amount against accidental death or dismemberment for state employees, teachers and other members of Maine state retirement system.

ASSISTANT AGENCY DIRECTOR

A Nationally known company is expanding and needs a top flight man to assist their hard hitting agency director double their present volume in five years. The salary and production incentive are very attractive.

If you have a record that will bear close inspection send it confidentially to:

FERGASON PERSONNEL

330 S. Wells St. Chicago 6, Ill.
Harrison 7-9040

Renewal Commission LOANS

LIFE UNDERWRITERS
CREDIT CORPORATION
Northwestern Bank Building
Minneapolis 2, Minnesota

Service Guide

Health & Accident Adjustment Co.
A & H Claims — Investigations
Subrogations
for
Commercial and Group Companies
ANTHONY T. RESSA P. H. BUCK
904 Dexter Horton Bldg. ELiot 6710
Seattle 4

Mass. Mutual GAs Talk Over Problems

No life insurance company will succeed over a span of years with one low-cost leader alone, Donald C. Keane, New York City general agent of Massachusetts Mutual Life, said in discussing the current emphasis in some circles on low-cost insurance at the annual conference of the company's general agents' association at Hot Springs, Va.

"I feel that the public still appreciates a quality product, well merchandised," he said. "No great structure of lasting strength has ever been built with only one ingredient or material, and no life company will ever succeed over a span of years with a low-cost leader alone."

Speaking on the company and the contract which is merchandising power, Mr. Keane said that the company has not developed one special contract to the detriment of all others, but has a compact working portfolio, providing a choice for the prospective buyer.

Other speakers at the first day sessions were Vice-President Homer N. Chapin, who discussed the investment department and the field; Bert Mount, 2nd vice-president, who discussed mortgage loan investments. A panel on sales promotion brought out means of using sales promotional material, methods of maintaining agency morale, and how to stimulate representatives in a production slump. Participating in this panel were W. R. Robertson, Boston, H. C. Copeland Jr., Syracuse, C. R. Jones, Washington, D. C., D. J. Lizotte, Newark, and R. R. Reader, Lawrence, Mass.

The problem of selecting new manpower was discussed in a seminar headed by J. W. Tyson of Richmond, with C. E. Pejeau, Cleveland, R. E. L. Choate, Montgomery, J. R. Martin, D. N. Ellis, and F. L. Meeske, superintendents of agencies, as panelists. The discussion brought out that recruiting is a main part of a general agent's job and he should work on it continuously. The best sources of possible recruits come from the general agent's own personal contacts and next through his full-time organization, it was decided.

L. E. Simon, New York City, moderated a panel on sustaining and increasing agents' production, assisted by H. H. Bass, San Antonio, J. S. Braunig, Boston, C. A. Grimmett Jr., Rochester, N. Y., and W. A. Kloter, Hartford. They advised that quotas be set, that immediate personal wants, such as a house or car, be used as objectives, and that a producer's accomplishments be recognized to sustain production.

Charles G. Hill, 2nd vice-president, moderated a panel on group insurance. E. C. Jordan, Chicago, reviewed ways to integrate and stimulate the sale of group insurance; R. C. Fischer, Chicago, told how a group man can best contribute to the program of greater group development and assist in contacts with brokers. W. C. Gibson, manager of group pension sales, pointed out the advantages of an insured plan in comparison with a self-administered plan. F. T. Googins Jr., group secretary, discussed recent developments in the field.

A panel on business life insurance was conducted by R. L. Woods, Los Angeles, assisted by G. L. Griffin, Al-

bany, A. B. Rosorough, Jacksonville, F. H. White, Buffalo, and R. L. White, Columbus, O. It was agreed that business life is a field with a potential that has scarcely been touched.

Vice-President C. H. Schaaff gave the closing address and congratulated the agents and field force on their progress.

Provident Mutual Sales Rally Stresses Marketing

(CONTINUED FROM PAGE 6)

way in which they conduct their business.

James H. Cowles, agency vice-president, presented the second panel which was moderated by Ray W. Druckenmiller, Allentown, Pa. Each panelist briefly told of the one most important factor that raised his production from the marginal to million-a-year stature.

Robert S. Albritton, Westwood, Cal., advised the agents to select young clients who have a success potential and to grow with them. He has had particular success with men with scientific, engineering and business administration college backgrounds.

J. Donald Plunkett, Reading, Pa., looks for prospects with money or substantial earnings, then learns all he can about them before arranging to meet them.

Sherman O. Schumacher, Akron, said that the thing that most inspired him during the year was a death claim that occurred just seven days after the sale.

Clarence E. Tobias Jr., Norristown, Pa., said that his key is a sincere belief in the value of life insurance, plus a missionary zeal and a little more than the usual amount of hard work. Mr. Tobias received a scroll in recognition of his personal production in 1954, the highest in the company's history.

Boris J. Todorovich, Detroit, tries to educate those who need education in life insurance and cultivate those who already know about it.

Knox Turnbull, Charlottesville, Va., pointed out that the big men in the business reach the top through hard work and they are always willing to help young men who also will work hard.

Self-confidence which can be transferred to others is the key to success, Theodore Widing, Philadelphia, said.

Ray T. Wright, Kansas City, said that his success has come from specializing in prospects in the medical profession.

The opening session of the meeting was devoted to recognition of the 90th anniversary of the company. S. Roy Swenson, New York City, presented a book containing the names of all agents who participated in the anniversary sales celebration to President Thomas A. Bradshaw. Mr. Swenson was the top producer during the celebration.

Charles Heads New Home Life Agency

Home Life has opened a New York City agency under the direction of Edwin M. Charles, formerly associate manager of its New York-Oshin agency. Temporary offices are at 136 East 57th street.

Mr. Charles joined the company in 1946, became assistant manager of the Oshin agency in 1949, went to the home office as assistant manager of agencies in 1951 and returned to the agency in 1952. He is a CLU.



This is the first in a series of advertisements about Kansas City—and Kansas City Life.

The Song of Kansas City

You hear it all over the world—for Kansas City's Philharmonic Orchestra is one of the country's finest. Its concerts and Opera Festivals have been broadcast from coast to coast and rebroadcast overseas.

Kansas City's orchestra was born in the depression years of 1933—at a time when most other communities did not support a musical organization like this one. Today, it's one of the leading orchestras and one of which Kansas Citians are proud.

There's something special about Kansas City—something fine. It's a friendly, progressive spirit that's as sincere as the firm clasp of a hand. It's the spirit that built a great orchestra.

This same Kansas City spirit has for 60 years been building a great insurance company—Kansas City Life Insurance Company. From here in the Heart of America, Kansas City Life offers grass roots understanding of America's life insurance problems—and prompt, efficient service to its policy owners everywhere.

KANSAS CITY LIFE INSURANCE CO.

Broadway at Armour, Kansas City, Missouri



Now
Over
3
BILLIONS
of Life
Insurance
in Force

AMERICAN
NATIONAL
INSURANCE
Co.

GALVESTON, TEXAS

1905-1955
"Fifty Years of
Progress"

"YOU CAN GROW WITH ANICO"

Ask Us About UNITED OF OMAHA'S

20

CASH REFUND SAVINGS PLAN

National magazines are carrying to more than 15 million American homes, the vital message "YOUR MONEY CAN DO TWO JOBS TOO." It's the story of United of Omaha's revolutionary new "20-20" plan, that helped break all records with the largest single day's business in the company's history... and helped make 1954 United's greatest year, by far!

The "20-20" plan can do TWO jobs for you, TOO!

Introduce you to more people...
Increase your earnings for 1955.

Send the coupon by Air Mail,
TODAY! You'll be glad you did.

United
OF OMAHA

**UNITED BENEFIT LIFE
INSURANCE CO.**

More than a billion dollars
life insurance in force.

HOME OFFICE: Omaha, Nebraska
CANADIAN OFFICE: Toronto

MAIL COUPON TODAY!

AGENCY DEPT.,
UNITED OF OMAHA
Omaha, Nebraska

Dept. NU

Please rush full information about your 20-20 plan.
Tell me all about your LIFETIME CAREER CONTRACT,
selling for United of Omaha.

Name.....

Street.....

Town and State.....

Telephone Number.....



Bill Nalacs' CORNER

"Men who study such things say it is amazing how many really important decisions insurance buyers make on the strength of simple surface impressions. This fact was one of many reasons why our company engaged the services of Brooks Stevens, internationally known industrial designer, to redesign all company forms—provide an exciting new look for our policy contracts.

"All of us Nalacs acclaim this progressive move in improved policy packaging. By contributing to an enhanced sense of value it can go a long way, we feel in influencing our client to make the decision we are after. That can be equally true whether it involves signing up for a new program or renewing a policy already in force."

NORTH AMERICAN
Life and Casualty Company

HOME OFFICE: MINNEAPOLIS, MINNESOTA

H. P. SKOGLUND, President

J. E. SCHOLEFIELD, Vice President—Director of Agencies



LIFE • ACCIDENT • SICKNESS • HOSPITAL • GROUP

Income, Dependents Determine Life Sales

While 80% of all U. S. families own life insurance today, the portion of families insured runs much higher in large segments of the population.

This is shown in a detailed analysis of life insurance ownership based on the survey of consumer finances made last year by the survey research center of the University of Michigan for the federal reserve board.

It is apparent that families with income of \$5,000 or more, with children under 18, and with the family head between 18 and 34 years of age, will own life insurance in 98% of the cases, Institute of Life Insurance said, in commenting on the analysis. Life insurance is the most widely owned form of thrift or savings in the family financial programs of this country.

It was found in this survey that life insurance ownership ran 91% in cases where the head of the spending unit was between ages 25 and 34 and had one, two or three children.

In instances of families in which the head of the unit had been married 5 to 9 years, the ownership was 93% at ages 35 to 44.

Families with \$5,000 or more income and with four or five dependents reported 97 or 98% ownership.

Where the youngest child was under 18 years of age and income was \$5,000 or more, the ownership ran 97 or 98%.

The lower rate of ownership in rural areas, among retired or unemployed persons, at low income levels and among families with a minimum of responsibilities, tends to reduce the over-all average figures on ownership.

Welfare Probe's Counsel Pru Assistant Solicitor

William A. Leece, Washington, D. C., has been named assistant general solicitor of Prudential. He has been chief counsel and staff director of the Senate labor subcommittee on welfare and pension funds. He is a former FBI special agent.

'Wife' Is Either Spouse, Wisconsin Court Rules

When the word "wife" is substituted for the word "spouse" in defining dependents in a group disability benefits policy, it does not mean that the spouse of a female employee cannot obtain disability payments, Wisconsin supreme court ruled in the case of Riske vs. National Casualty. (CCH 2 Life, A&H 103).

Mrs. Elizabeth Riske held a certificate of a group policy held by the labor union of which she was a member which named her husband as dependent. Before the disability in question the policy was modified to change the word "spouse" as referred to under the dependents hospital and surgical rider and the group policy endorsement and amendment was changed to "wife". A year later Mrs. Riske received a certificate amendment stating

that the definition of "dependent" had been changed to mean the spouse and unmarried children between birth and 19 years of age of insured, if they are not employed by or a member of the policyholder union. No such endorsement was affixed to the master policy.

The lower court found that Mrs. Riske's rights were governed by the master policy, as amended, and not by the certificate issued to her. This judgment was reversed and the case was remanded to the lower court with directions to enter judgment for Mrs. Riske.

Pacific Mutual Begins Univac Installation

A \$2 million electronic computer and data processing system, the Remington-Rand Univac, is being installed in the Pacific Mutual Life home office at Los Angeles and is expected to be in operation by August.

Determination to make use of electronic equipment followed a two-year period of intensive study and investigation. The equipment will be especially designed to handle office—as opposed to scientific—data. It will dispose of a great volume of routine repetitive work, accomplishing it with great speed and accuracy. Nevertheless, no employees will be replaced as normal turn-over in growth will more than offset savings in man-hours, according to the company.

Pacific Mutual's installation when completed will be similar to that recently installed by Metropolitan. Installation of Univac was begun in the Franklin Life home office last January.

18 New Life Insurers Get Texas Licenses in March

Even for Texas March was an unusually active month for the formation of new life insurers. Below are listed in order, the name, home office city, beginning capitalization and president for 18 additional life insurers licensed last month in Texas:

West Life & Accident, Dallas, \$150,000, F. H. Duff; Universal Bankers Life, West Lake Hills, \$37,500, Grogan Lord; Alexander Hamilton Life, Houston, \$40,000, Sam Field; Bay Life, Hawkins, \$37,500, O. A. Fountain; Brazos Life, San Antonio, \$51,000, Liston Zander; Coleman Life, Coleman, \$37,500, S. T. Cobb, Sr.; High Plains Life, Plainview, \$19,500, W. J. B. Gouldy; Knickerbocker Life, Houston, \$37,500, G. E. Veltman; Midwestern Security Life, Dallas, \$250,000, John J. Houlihan.

Also, National Benefit Life, Hawkins, \$37,500, O. A. Fountain; Restland Life, Dallas, \$37,500, George Young; Trans-Texas Life, Austin, \$37,500, W. C. Swearingin; Central Life & Accident, Hawkins, \$37,500, O. A. Fountain; Citizens Republic, San Antonio, \$37,500, J. B. Roark; Constellation Life, Houston, \$37,500, B. F. Lakenmaker; Family Protective, Dallas, \$37,500, D. B. Rowe; Financial Security Life, Waco, \$37,500, J. H. Lovelace; Texas Continental Life, San Antonio, \$275,000, G. C. Childre.

● Indiana Home Office Underwriters Assn. at its April meeting in Indianapolis heard a talk by Dr. John Pearson, medical director of American United Life.

**LONG TERM BANK LOANS
ARRANGED ON VESTED
RENEWAL CONTRACTS**

**LIFE AGENTS
GENERAL AGENTS
AND BROKERS**

U. C. & G. C. serves the financial needs of those engaged in the Life Insurance Business. Your tax problems may be simplified and savings effected. Correspondence invited.

UNDERWRITERS CREDIT & GUARANTY CORPORATION

340 Pine Street, San Francisco 4, California
Southern California & Arizona Branch Office
9935 Santa Monica Blvd., Beverly Hills, Calif.

Report Record Month at Penn Mutual Parley

The largest production month in the history of Penn Mutual Life was reported for March at the production leaders conference at White Sulphur Springs, W. Va. The \$56,005,511 of paid business was a gain of 53%.

About 800 persons attended the meeting at which 1954 leaders were honored. President and Mrs. Malcolm Adam were hosts at a dinner for the Million Club members and their wives. The six agents who had paid for more than 200 lives were given gifts, the 39 members of the Million Club were given metal plaques, and James C. Toole of Spokane was presented a replica of the home office building as proxy for the new Half Million Club members. Forrest J. Curry, San Francisco, received the president's award for contribution to company progress.

James W. Lantz Jr., Long Beach, received the president's progress award.

Speakers who explained how they made their million were William G. Seeburger, Reese agency; Lee J. Lalli, Gaisford agency; Karl H. Blaesser, Schauer agency; John D. Kennedy Jr., Stephenson agency; and William W. Crouse Jr. Sadler Hayes, New York City, was chairman of the panel.

Million Club members held a seminar to exchange ideas on business insurance and estate planning. Speaking on new ideas for selling were Robert W. Ebling Jr., Purser agency, chairman; Jerome H. Pennock, Reese agency; Yale Oldman, Faser agency; James E. Miller, Lantz agency; Daniel T. Lilley, Hutchison; and Morton T. Utley, Curry agency. Karl Bach, Curry, summarized the talks and pointed out the ideas he deemed especially workable.

Edwin R. Brock of Connolly agency, was chairman of the discussion on goals. Speakers were Robert E. Allen Jr., Nichols agency; George W. Burke, Barton agency; Clarage W. Harris, Curry agency; William J. Eckenrode, Eckenrode agency; Donald J. Doran, Purser agency; and D. Bobb Slattery, vice-president.

New England Mutual Leaders Meet in Va.

Harry W. Castleman, newly appointed Louisville general agent of New England Mutual, was elected president of the company's leaders' association at a meeting at Homestead, Va.

Other officers are J. Wellton Currie, Miami, vice-president; Thomas E. Burke, Boston, secretary; D. Miley Phipps, Cleveland, treasurer; William H. McCoy, Detroit, Raymond H. Bradstreet, Los Angeles, and George W. Graves Jr., Washington, D. C., executive committee.

Earl W. Griswold, Bruce Bare agency, Los Angeles, received the rookie-of-the-year award.

American Mutual, Iowa, Hits Sales High in March

American Mutual Life of Iowa registered new records during March for both submitted and paid business. Paid production was 71% greater than March, 1954, and for the first three months of 1955 stands at 27% higher than for the same period last year. March submitted business was up 40%, and the first quarter total up 34%.

New policies and sales methods are being discussed at seven regional meetings being held at Moorhead, Minn., Chicago, Des Moines, Seattle, Oakland,

Los Angeles and Fort Worth. Participating from the home office are H. S. McConchie, vice-president and superintendent of agents; B. R. Merrill Jr., agency supervisor; William C. Ellis, director of sales and service; E. C. Conley, field supervisor and K. C. Klein, agency secretary.

'54 Sales, Earnings Best for American United

American United Life in 1954 had its best year in new paid for business and earnings, Clarence A. Jackson, president, reported at the company's annual meeting. Dividends paid policyholders increased 20% over the previous year and the total paid in the 12 months just ended was \$1,236,618. The company closed its fiscal year with \$611 million of ordinary life in force.

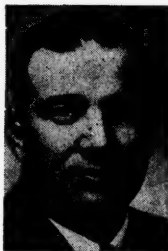
Income from investments, securities and mortgages was \$4,068,309 for the year. Assets increased \$13 million to total \$118 million. The earned return after taxes and expenses was 3.29%. Taxes totaled \$446,000.

Mass. Mutual Changes Ga., Tenn. Managers

Massachusetts Mutual Life has created a new general agency at Knoxville, Tenn., and, with the retirement



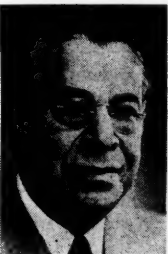
J. R. Humphries



D. M. Blumberg

of Harry I. Davis at Atlanta, has made management changes at Atlanta and Chattanooga.

Mr. Davis, who was with the company at Atlanta for 41 years, has been succeeded by John R. Humphries, formerly at Chattanooga. Replacing Mr. Humphries is Marvin R. Harper, formerly agency supervisor at Jackson-



H. I. Davis



M. R. Harper

ville, and heading the new Knoxville agency is David M. Blumberg, who is a past president of Tennessee Life Insurance Leaders Club, Knoxville Life Underwriters Assn., and is now 1st vice-president of the Tennessee association and parliamentarian of the National association.

Promotes W. W. Lenz at Denver

Wallace W. Lenz, agent in Denver for Occidental Life of California since 1953, has been named assistant manager there.

Joins National Life of Vt.

J. William Leach Jr., investment specialist and trade paper writer of Lynnfield, Mass., has joined National Life of Vermont as an investment analyst. He has been with Massachusetts Hospital Life of Boston.



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Agency Builders — write for full information about these profit advantages you will have as a Man With the Guarantee

- A new 5-Star Contract with liberal first year commission...vested renewals...and added awards for increased production and length of service.
- A complete line of competitive insurance to sell...including all forms of Life, Sickness, Accident and Hospitalization.
- Two new financing programs to help your Agents get started.
- Attractive, hard-selling sales packages for all major life and disability needs.
- Company field training program.

Opportunities in 20 States — The Guarantee's intensive expansion program means new localities are opening up where you can start a rewarding career as a General Agent.

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Ralph E. Kiplinger, President

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"One of the Best"

... a reputation earned by Central Life's consistently excellent record of Safety, Service and Strength through six decades.

... a reputation maintained by Central Life's progressive leadership.

Over \$400 Million in force.

Central
LIFE ASSURANCE
COMPANY



480 Names on Fourth 1955 MDRT List

(CONTINUED FROM PAGE 1)

J. M. Sisk, Sr., Bankers Life of Iowa, Milwaukee. Max Slater, Massachusetts Mutual, Boston. A. H. Smith, Northwestern Mutual, Nashville. L. D. Stark, Connecticut Mutual, Houston. George Steinberger, Franklin Life, Detroit. Harry Steiner, Equitable Society, Chicago. Ron Stever, Equitable Society, Los Angeles. G. W. Stewart, Penn Mutual, Pittsburgh. W. F. Szew, Acacia Mutual, Detroit. D. H. Tompkins, Northwestern Mutual, Charleston. W. Va. C. C. Tuggle, Travelers, Atchison, Kan. S. L. Turner, New England Mutual, New York City. George Twigg, Jr., New England Mutual, Boston. M. D. Vail, Northwestern Mutual, Chicago. K. L. Van Leuven, New York Life, Spokane. Vic Vybral, New York Life, New Orleans. J. D. Walter, Northwestern Mutual, Chattanooga. Jack Wardlaw, Northwestern Mutual, Raleigh. N. C. Norman Warren, New York Life, New York City. J. E. Watkins, New York Life, Lake Charles, La. G. F. Weber, Connecticut General, Los Angeles. Sidney Weisman, Northwestern Mutual, Detroit. S. H. Welch, Jr., Connecticut Mutual, Birmingham. Ala. W. M. Werber, independent, Washington. D. C. H. D. Wheeler, New England Mutual, Duluth. C. W. Wicks, New York Life, Fresno.

Theodore Widing, Provident Mutual Life, Philadelphia. Lawrence Willet, Northwestern Mutual, Atlanta. W. H. Wilson, New England Mutual, Pittsburgh. A. L. Wolf, Business Men's Assurance, Flagstaff, Ariz. Irvin Yoffee, Continental Assurance, Harrisburg, Pa. P. H. Zimmerman, Mutual Benefit, Buffalo. H. A. Zischke, independent, Chicago.

LIFE

C. V. Anderson, Provident Mutual, Cincinnati. K. R. Bentley, Mutual Benefit, Danville, Ill. W. R. Benz, Penn Mutual, Fort Wayne, Ind. E. G. Bradshaw, American National, San Diego. Shirley Bracketfield, Monument Mutual Life, Houston. F. G. Bray, New England Mutual, Houston. A. F. Breher, Northwestern Mutual, St. Paul. Robert Brilliande, Financial Security Life, Honolulu. K. G. Brown, Canada Life, Hamilton, Can. R. A. Brown, Pacific Mutual Life, Los Angeles. N. J. Busch, Prudential, Pullman, Wash. N. W. Carr, Jefferson Standard Life, Jackson, Miss. E. S. Churchill, Northwestern Mutual, Hartford. C. E. Cleeton,

Occidental Life of Cal., Los Angeles. G. J. Cohen, New England Mutual, New York City. R. R. Daniels, Kansas City Life, Washington. D. C. Shirley R. Dashiell, Lincoln National, Norfolk. L. B. Davies, Massachusetts Mutual, Baltimore. E. L. Davis, International Fidelity, Dallas. Fraser Deacon, Canada Life Assurance, Toronto. Peter Demetriou, Metropolitan, Astoria, L. I. N. Y. H. T. Dillon, National Life of Vermont, Atlanta. M. J. Donnelly, Equitable Society, New Castle, Pa. F. B. Donovan, Northwestern Mutual, Peterborough, N. H. E. Y. Duncanson, Connecticut General, New York City. S. R. Espedal, United Services Life, Honolulu. I. C. Feldman, Equitable Society, Philadelphia. E. F. Fendt, Equitable, Iowa, Chicago. D. B. Fluegelman, Connecticut Mutual, New York City. R. E. Foster, Canada Life Assurance, Ottawa.

F. B. Francis, independent, Wilmington, Del. C. H. Fuller, Northwestern Mutual, Milwaukee. B. W. Gilmore, Northwestern Mutual, Grand Rapids, Mich. Ethel E. Gwinn (Mrs.), independent, River Forest, Ill. J. J. Hallahan, California-Western States Life, Dallas. C. Von Hickman, Northwestern Mutual, Eugene, Ore. Max Hill, Continental Assurance, Tampa. Isidor Hirschfeld, New England Mutual, New York City. Takeshi Jack Hitomi, Lincoln National, Sacramento. W. E. Horn, Business Men's Assurance, Santa Rosa, Cal. E. D. Husted, Aetna Life, Toledo. Samuel Kahl, Penn Mutual, Chicago. W. D. Key, Pilot Life, Columbus, Ga. S. L. Klarer, Northwestern Mutual, Milwaukee. M. A. Law, Mutual Benefit, Chicago. W. B. Lichtenstein, John Hancock Mutual, Indianapolis. H. Y. F. Lung, United Benefit Life, Honolulu. J. L. McCann, Jefferson Standard Life, Charlotte, N. C. A. E. McNeill, New England Mutual, Pasadena. Sid Marean, independent, Cincinnati. J. D. Marsh, independent, Washington. D. C. W. C. Mayer, Mutual Benefit, Milwaukee. C. S. Miller, Lincoln National, Tyler, Ind. Col. D. I. Moler, Lincoln National, Washington. D. C. W. R. Moore, Connecticut Mutual, Decatur, Ill. H. G. Mosler, Massachusetts Mutual, Los Angeles. A. M. Nadler, Union Labor Life, New York City. T. R. Nelson, Penn Mutual, San Rafael, Cal. Frank O'Donnell, independent, Philadelphia. E. W. O'Shaughnessy, Equitable Society, Chicago.

E. T. Proctor, Northwestern Mutual, Nashville. C. E. Purdy, Jr., independent, Minneapolis. C. G. Raymond, National Life of Vermont, Tacoma. E. S. Rosenthal, General American Life, St. Louis. W. C. Ross, Guardian Life, Milwaukee. T. Saito, Manufacturers Life, Honolulu. Robert Sheldrick, Northwestern Mutual, Newark. A. A. Sinton, National Life of Vermont, Atlanta. Ben Smick, American United Life, Spokane. C. F. Steinhof, Home Life, New York City. DeWitt A. Stern, independent, New York City. J. M. Stokes, New England Mutual, Philadelphia. G. G. Terribery, Mutual Benefit, New York City. W. N. Thurman, Mutual Benefit, Atlanta. R. F. Tinnin, Occidental Life of Cal., Albuquerque. C. J. Underell, Occidental Life of Cal., London, Can. Hal Van Cleve, Massachusetts Mutual, Los Angeles. H. B. Veazey, Indianapolis Life, San Antonio. R. E. Whitmoyer, Phoenix Mutual Life, Dearborn, Mich.

LIFE & QUALIFYING, FIRST TIME

R. J. Bayless, Equitable Society, Colorado Springs. J. L. Block, Continental Assurance, Las Vegas. T. E. Burke, New England Mutual, Boston. C. Clementson, Jr., Massachusetts Mutual, Orlando, Fla. Q. R. Cowman, Equitable Life of Iowa, Harrisburg, Pa. Antoine Desmarais, Prudential Assurance, Montreal. W. L. Dooley, Equitable Society, Pasadena. G. W. Dygert, Northwestern Mutual, Fort Wayne, Ind. R. C. Ellis, Home Life, New York City. J. W. Ensminger, Massachusetts Mutual, Chicago. Milton Fischer, independent, San Antonio. M. P. Ford, independent, Boston. A. G. Foster, Jr., General American, Atlanta. M. H. Franklin, New York Life, Cleveland. N. N. Gortz, Union Central Life, New York City. W. H. Gould, Massachusetts Mutual, Los Angeles. T. F. Graves, New York Life, Los Angeles. R. F. Hoffman, Bankers Life of Iowa, St. Louis. R. W. Ingram, Massachusetts Mutual, Atlanta. Masao Inouye, Occidental of N. C., Honolulu. Sol Kolodny, Ohio National, Cincinnati. E. G. Leterman, Union Central, New York City. G. C. Maxson, Penn Mutual, San Leandro, Cal. M. T. Paine, Massachusetts Mutual, Chicago. H. F. Poole, New York Life, Kansas City. H. D. Drew, Aetna Life, Birmingham. N. Y. H. R. Purdy, North American Life, Detroit. W. H. Richardson, Northwestern Mutual, Detroit. G. W. Saam, Great Southern Life, Fort Worth. S. R. Sientz, Continental Assurance, New York City. J. S. Sierra, Great Southern Life, Dallas. W. L. Spencer, Equitable Society, Youngstown. C. F. Stansberry, Jr., Northwestern Mutual, Joliet, Ill. D. T. P. Steele, Northwestern Mutual, Dubuque, Ia. Benjamin L. Stern, New England Mutual, New York City. C. J. Strous, Jr., Northwestern Mutual, Youngstown. O. E. Thomas, John Hancock Mutual, Colorado Springs. J. A. Thompson, Equitable Society, Memphis. M. E. Thompson, Prudential, Manhattan. Kan. H. J. Tibbitts, Mutual Benefit, Spokane. D. H. Treloar, Jr., Northwestern Mutual, New Castle, Pa. R. J. Wilcox, Prudential, Jersey City. K. A. Yoder, New England Mutual, Elkhart, Ind.

Nashville. F. S. Tuttle, Massachusetts Mutual, Syracuse. J. V. Vessel, Northwestern National, Minneapolis. F. B. Walker, Massachusetts Mutual, New York City. C. R. Warren, Massachusetts Mutual, Oklahoma City. C. H. Webster (Dr.), New York Life, Ithaca, N. Y. E. D. Wolfe, New York Life, Allentown, Pa. L. L. Wolfson, New York Life, Chicago. S. L. Wolkberg, Union Central Life, New York City. Stanley Zeskind, American Bankers Life Assurance, Baltimore. R. K. Zetland, New York Life, Chicago.

QUALIFYING, FIRST TIME

C. L. Alworth, North American Life of Can., Honolulu. H. E. Anderson, New York Life, San Francisco. L. J. Bair, National Life of Vermont, New York City. W. H. Bearden, Jr., National Life, Atlanta. R. D. Beckmann, Mutual Benefit, Indianapolis. Max Bensinger, New York Life, Cleveland. P. H. Bileaud, New York Life, Quebec. G. M. Blakely, Equitable Society, Portland, Ore. J. R. Brax, Fidelity Union Life, Midland, Tex. F. H. Bray, Commercial & Industrial Life, Houston. Andre Bressani, Les Prevoyants du Canada, Montreal. M. J. Brown, New York Life, Dayton. R. E. Buis, College Life, Indianapolis. R. E. L. Choate, Massachusetts Mutual, Montgomery, Ala. D. M. Comfort, Massachusetts Mutual, Long Beach, Cal.

W. F. Cook, New York Life, Ann Arbor, Mich. E. J. Cox, Massachusetts Mutual, San Antonio. T. W. Cristall, Northwestern Mutual, Cleveland. S. I. Cundey, Home Life, New York City. A. J. Curran, Northwestern Mutual, Waterloo, Ia. J. S. G. Davenport, Home Life, Warwick, Va. J. R. Davis, Connecticut General, San Jose, Cal. Louis Delteilbaum, Equitable Society, Chicago. J. L. Denniston, New York Life, Missoula, Mont. M. P. Dickinson, Equitable Society, Philadelphia. T. H. Dickinson, Mutual Life of Canada, Toronto. F. J. Dillon, New England Mutual, Minneapolis. S. A. Ekan, Massachusetts Mutual, Macon, Ga. S. H. Ellowitch, Massachusetts Mutual, Jersey City. W. J. Emmert, Jr., Prudential, Austin, Tex. C. A. Evans, New York Life, Wichita, Kan. R. M. Fee, Aetna Life, Kansas City. H. L. Fiene, New England Mutual, New York City. Louis Fish, Mutual Benefit, Joliet, Ill. C. A. Floyd, New York Life, Santa Rosa, Cal. J. R. Foster, Massachusetts Mutual, Rochester, N. Y. J. J. Foster, Northwestern Mutual, Kansas City. Mo. F. C. Frampton, The T. Eaton Life Assurance, Winnipeg, Man., Canada. S. Freedman, New York Life, Landover, Wyo. A. J. Gigliotti, Canada Life, Vancouver, B. C. Canada. Maury Goosenberg, Massachusetts Mutual, Philadelphia. H. E. Goss, New England Mutual, Kansas City. Mo. C. C. Grimm, Penn Mutual, Wichita, Kan. Hank Hamel, J. D. Southwestern Life, Houston, Tex.

S. L. Harris, Equitable Society, Chicago. A. B. Hastings, Massachusetts Mutual, Los Angeles. Robert Haw, New York Life, Fresno. Cal. H. R. Haynes, New York Life, Sacramento. Cal. T. W. Hicks, Equitable Society, Rocky Mount, N. C. H. R. Honaker, Southwestern Life, Wichita Falls, Tex. F. G. Horan, Northwestern Mutual, Akron, Ohio. J. H. Hurst, Jr., Crown Life, Atlanta. W. J. Irvin, Connecticut General, Trenton. N. J. F. F. Jager, Jr., John Hancock Mutual, Columbus, O. C. A. Jorgenson, Midland National Life, Pipestone, Minn. W. H. Joslin, Jr., Connecticut Mutual, Providence. R. I. P. F. Kamens, Northwestern Mutual, Pittsburgh. R. D. Kaplove, Prudential, Union City, N. J. N. D. Kass, Bankers National, Medford, Mass.

S. M. Katz, Equitable Society, Scranton, Pa. F. J. Kettyle, London Life, Montreal. A. R. Labusohr, New York Life, Passaic, N. J. C. L. Lessi, New York Life, Santa Maria, Cal. Dick Levy, Pacific Mutual, Los Angeles. L. H. Lindeman, Equitable Society, Detroit. D. J. Lizotte, Massachusetts Mutual, Newark. H. J. Loechler, New York Life, Columbus. O. E. M. Lupean, New England Mutual, Pittsburgh. R. W. Lyon, New York Life, Georgetown. O. E. N. McClure, New York Life, Ventura, Cal. H. A. McGear, Mutual Benefit, Pittsburgh. N. P. Macelletti, United Life & Accident, Danbury, Conn. P. J. Maloney, National Life, Buffalo. D. B. Mayberry, New York Life, Los Angeles. Harry Maybrook, New York Life, Chicago. C. A. Mays, Jr., New York Life, Greenwood, S. C. H. B. Miller, Massachusetts Mutual, Springfield, Mass. F. E. Mock, Jr., New York Life, Detroit. A. L. Moniot, Equitable Society, Haddonfield, N. J. D. J. Montanaro, New York Life, New York City. J. W. Mooney, New York Life, St. Louis. C. S. Motz, Massachusetts Mutual, Atlanta. R. C. Mueller, New York Life, Delphos. F. R. Newman, Aetna Life, Grand Rapids, Mich. E. T. Nunnely, Massachusetts Mutual, Birmingham. Ala. H. D. Olmsted, New England Mutual, Pittsburgh. G. O. Ovlitt, Northwestern Mutual, Newark. S. L. Palles, Prudential, Chicago. U. A. Palo, Prudential, New Brunswick, N. J.

W. S. Perkins, Amicable Life, Corpus Christi, Tex. D. C. Petersen, Beneficial Life, Ogden, Utah. L. B. Poletto, Aetna Life, San Francisco. F. R. Policare, Lincoln National, Pittston, Pa. Henry Poppe, Ad Assoc. for Lutherans, Tulsa. Laurie F. Pratt, Penn Mutual, Knoxville, Tenn. M. S. Reiman, New York Life, Oakland, Cal. M. A. Reimer, Amicable Life, Boling, Tex. H. W. Reynolds, Southwestern Life, Beaumont, Tex. H. J. St. Laurent, New York Life, Bremerton. G. J. Scheid, New York Life, Cleveland. J. J. Schoenberg, New York Life, Akron. D. L. Schorling, New York Life, Eureka, Cal. L. R. Schuster, Jr., General American, El Paso. C. W. Scott, Massachusetts Mutual, Kansas City.

J. M. Seay, Southwestern Life, Dallas. J. J. Serra, Mutual Life, Shreveport. Kai Soderman, New York Life, New York City. F. R. J. Soldwedel, Massachusetts Mutual, Peoria, Ill. G. C. Stewart, Northwestern Mutual, Schenectady. C. F. Stoughton, Mutual Benefit, Savannah, Ga. D. E. Stull, Mutual Benefit, Dayton. R. S. Summerhays, New York Life, Pasadena. H. S. Sundvahl, Massachusetts Mutual, Tulsa. W. C. Swallow, Jr., Massachusetts Mutual, Quincy, Ill. R. H. Tarr, New York Life, Hanford, Cal. G. C. Thompson, Northwestern Mutual, York, Pa. B. J. Todorovich, Provident Mutual Life,

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Successful life underwriter, age 35-45, LUTC or CLU graduate preferred. Must have personal production record of \$400,000. Salary, \$300. mo., plus 7 1/2% override, plus personal commission. Replies strictly confidential. Raymond A. Dufour, CLU, General Agent, Pacific Mutual Life Insurance Company, 1511 K Street, N. W., Washington, D. C.

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Accident & Health Production Man for Midwestern branch of large multiple line casualty company to work with agents in Midwestern and Southern states. Must be experienced, willing to travel and have proven production record. Please write full personal and work history. Address E-43, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

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ACCOUNTANT—BOOKKEEPER

Life—A & H Company—Southeastern State... Not over thirty-five (35), experienced in Life Insurance Company Accounting, some knowledge of underwriting, administrative ability. Good opportunity for the right man. Working conditions among most modern with a young company, well financed, aggressive and prosperous. Write giving details of education and experience enclosing recent photograph. Replies completely confidential. Address # E-10, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

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Pru Says Variable Annuities in Insurer Realm

(CONTINUED FROM PAGE 1)

that variable annuities are going to be sold, and fairly soon, from some source," said a recent Prudential memorandum. "The trained agency force of established life insurance companies are in the best position to sell such variable annuities as a logical segment of their responsibility for analyzing and understanding financial requirements of American families for a long-term period. It would seem that the public would be better protected by the sales of these plans by agents who also sell conventional fixed-amount plans than by the sale of these plans by agents who are selling nothing but variable plans and who would thus have the overriding personal incentive to slant all sales arguments in favor of the variable type plan exclusively.

"Of even greater importance, perhaps, is the fact that these life insurance agents are subject to the regulatory requirements of state insurance departments. State laws and regulations prohibiting misrepresentations, false advertising, twisting, etc., will afford protection in the sale of variable annuities by licensed insurance agents."

Prudential points out that the fact that many people are concerned about the purchasing power of their savings is increasingly apparent, that the proportion of income spent on insurance has been very stable since 1941 but in this period other forms of savings have been increasing at a rapid rate. In recent years, savings in corporate securities have risen percentage-wise almost six times as much as life insurance savings. Open-end mutual funds

have grown more than twelvefold in 15 years, from approximately \$448 million in 1940 to an estimated \$5.5 billion at the end of 1954, while assets held by banks in common trust funds have increased almost 600 times in the last 15 years, Prudential points out. A recent survey showed that common stocks constituted 44.7% on the average of those trusts for which portfolios were available.

"Mutual funds are no substitute for a variable annuity contract, since there is no way for a mutual fund to guarantee distribution of a principal sum over the full lifetime of a participant," Prudential point out. "Actuarial determinations with use of mortality tables are not within the authorized functions of mutual funds or within the area as to which they are regulated by public authority. Aside from the emphasis on common stocks in the investment fund, the predominant feature in a variable annuity is an actuarial, risk-pooling feature. Granting of annuities is a life insurance company function. And it is appropriate that such companies should be in a position to use the variable type of contract for group and individual annuities and as an alternative feature of certain of their existing contracts such as settlement options."

The use of variable annuities as a means of overcoming the serious competitive disadvantage under which life insurance companies labor in the group annuity field is also discussed in Prudential's memorandum. Until recent years, investment in common stocks was often considered to be too speculative for retirement programs but now common stocks have attained an entire-

ly new standing in the investment world. Employers are seeking the higher yields and the opportunity for capital appreciation available through self-administered or trustee pension plans which are free to invest large proportions of their assets in common stocks.

In support of its argument for the need of an annuity based on equities, Prudential points out that leading economists acknowledge a persistent long-term tendency toward lowering the value of the dollar and many predict this will continue. Since 1900 prices have risen an average of 2% a year. The performance of stocks during the first half of this century indicates that variable annuity contracts will be highly effective in serving as a hedge against inflation, for during that period the average annual yield of common stocks listed on the New York Stock Exchange was 4.9% and they increased in value about 2.3% per year on the average.

Prudential's plan calls for the establishing of a segregated account to be known as the variable contract account, the assets of which might be invested to a large extent in common stocks and other equity securities. A company operating such an account would issue special types of contracts such as variable annuities, under which agreements would vary in dollar amounts so as to reflect the investment results of the account. The person buying a variable annuity, for example, would not receive a contract guaranteeing to pay him a certain number of dollars but instead he would be credited with a certain number of units which would in effect represent his share of the value of the assets in the special account.

When he became entitled to benefits the units payable to him would be converted as they became due into the current dollar values. The value of the assets in the special account would be the yardstick for determining these dollar values. Distributions would be based upon actuarial application of mortality tables and would be within the scope of accepted responsibilities and function of life companies.

Incidentally, the earnings of the fund would determine the payments. There has been some misunderstanding as to what yardstick would govern the payments. Some have understood that payments would be based on some sort of cost-of-living index but this is not so. If the future follows past experience, a 50-50 investment in fixed dollar annuities would produce an income that would keep step quite closely with living costs.

Groundwork Is Laid for Bureau, Conference Merger

(CONTINUED FROM PAGE 3)

dissolution of their organizations and distribution of their assets. It is contemplated that the amended constitutions would require dissolution of both organizations at the expiration of some fixed period, such as six months after the date of their special meetings.

The plan contemplates that the board of directors of the new association would be responsible for securing the staff, establishing the location of offices, and fixing the date for putting the new organization into operation.

The report recommends the election of a public relations committee from the new organization to determine policy for a public relations organization, with the funds for the program being



S. B. Parker, right, retiring general agent for Bankers Life of Nebraska in Nebraska City, shown receiving a diamond ring from C. H. Heyl, vice-president and agency director, for his 20 years' service as general agent and nearly 40 years with the company. At the left is his son, Fred Parker of Nebraska City. S. B. Parker will continue in personal production with Bankers and will be associated with his son's agency. A lifetime member of the company's consecutive weekly production club, he guided the Nebraska City agency to ranking in the top 10 of all Bankers' agencies for seven straight years though in competition with agencies of far greater size.

the responsibility of the new executive board.

The merger proposal was developed by the joint committee's task force No. 1, which was given a two-point responsibility (1) Designing a streamlined A&H trade association. (2) Planning and implementing an industry-wide public relations instrumentality. The detailed plan was constructed by a subcommittee headed by Wendell Milliman, New York Life.

Members of the task force are W. L. Bates, Fidelity & Casualty; R. Howard Dobbs Jr., Life of Georgia; Jay C. Higdon, Business Men's Assurance; R. L. Maclellan, Provident Life & Accident; John Moyler Jr., Life of Virginia; H. Ladd Plumley, State Mutual Life; James E. Powell, Provident Life & Accident; J. Henry Smith, Equitable Society; Travis T. Wallace, Great American Reserve; Graham Watts, Royal-Liverpool; Mr. Millman, and H. Lewis Rietz, Great Southern Life, chairman.

Besides the conference and bureau, trade associations represented on the joint committee are American Life Convention, American Mutual Alliance, Assn. of Casualty & Surety Companies, Life Insurance Assn. and Life Insurers Conference.

The bureau has 94 member companies, of which 57 are casualty insurers, 34 life and three A&H only. The conference has 200 plus members, divided as follows: 122 life, 34 casualty, 34 A&H only, the balance consisting of reciprocals, reinsurers a fraternal, etc.

Hosch and Roederer to Phoenix Mutual Posts

Phoenix Mutual Life has appointed Orval A. Hosch and Edward L. Roederer managers at New York City and Oklahoma City, respectively. Mr. Hosch replaces Alvin H. Polley Jr., named supervisor of agencies in the northeastern states. Mr. Roederer replaces Frederick J. Connor, who will supervise agencies in the southeastern states.

Mr. Hosch joined Phoenix Mutual Life at Milwaukee in 1950. He has been field manager at the home office since 1952. Mr. Roederer, who joined the company in 1952, served in Kansas City and Chicago before being promoted to field manager in the home office.

1879-1955 76th ANNUAL REPORT

For the year 1954

Insurance in Force	\$319,435,211
Assets	67,052,239
Liabilities	62,365,731
Total Surplus	4,686,508
1954 Increase in Insurance	24,774,736
1954 Increase in Assets	6,813,445
Paid to Policyowners and Beneficiaries	2,631,531
Reserve for 1955 Dividends	1,410,000

A Tradition of Faithful Stewardship Since 1879

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Lutheran Mutual

LIFE INSURANCE
COMPANY

HOME OFFICE ★ WAVERLY, IOWA

Windsor Sees '55 as Nation's 2nd Best Year

James H. Windsor, financial vice-president of Equitable Life of Iowa, predicted 1955 would be second only to the boom year of 1953 in addressing 130 executives at Washington attending the second of three American Life Convention regional meetings. The series was opened at Des Moines and will close with a New Orleans meeting April 18-19.

Mr. Windsor, who is chairman of the ALC financial section, said "Last year we were worrying about how to stem a recession. This year we are concerned about how much further the upsurge in business can carry without faltering." He listed as the four most important factors in the business upturn the ending of a period of liquidation of business inventories, a definite increase in consumer buying, a boom in the auto industry and a marked upsurge in building of all types.

Possible limiting factors in the overall business picture, according to Mr. Windsor, are the high volume of consumer credit, the all-time high in mortgage debt and the inevitability of a slowing down in the auto industry. "These factors indicate that repayment of these debts depends on the maintenance of prosperity and of employment. In view of the stated policy of the administration, and the fact that 1956 will be an election year, we can expect the government to take all steps possible to prevent any sharp curtailment of business."

Referring to the outlook for interest rates in view of the current policy of neutrality of the federal reserve, Mr. Windsor commented that authorities "have made it abundantly clear they are determined to use a flexible credit policy as a tool for promoting economic stability and growth. In view of the present situation and prospects, it appears that the upward pressure on long-term interest rates will persist during the months ahead."

The two-day regional meetings feature an informal program of off-the-record discussions of current problems affecting life insurance. Claris Adams, executive vice-president and general counsel of ALC, is presiding.

General American Names Gilles in Central Ohio

General American Life has opened a new central Ohio agency, to be headquartered in Columbus and headed by James E. Gilles as general agent. Abe A. Wolman, who for more than 25 years has headed a General American unit at Columbus, will continue with the company there as associate general agent.

Mr. Gilles entered insurance in 1946 as an agent for Penn Mutual Life at Cleveland. Two years later he went with Reliance Life as an assistant manager, transferring to Lincoln National when it took over Reliance. Since 1950 he has been in a partnership general agency of Lincoln National at Miami. He is a graduate of the LIAMA management school.

Names Pitzer, Jenkins

Occidental Life of California has named Joseph M. Pitzer general agent of a new agency at Kennewick, Wash., and Gordon V. Jenkins brokerage man-

ager of a new branch at Whittier, Cal. Mr. Pitzer, secretary of Tri-City Life Underwriters Assn., has been an agent at Kennewick for Provident Life since 1952. Mr. Jenkins has been agency administrative assistant in the home office. He joined Occidental in 1936 and for a while was assistant manager at San Francisco. He is a son of the late Verne H. Jenkins who was senior vice-president and vice-chairman of Occidental.

N. Y. Supervisors Slate Orshan for President

Joseph Orshan, Equitable Society, has been nominated to succeed E. B. Eichengreen, Prudential, as president of New York City Life Supervisors Assn.

Other nominees are Earle Y. Duncanson, Connecticut General, 1st vice-president; Herbert Frankford, Berkshire Life, 2nd vice-president; Edward J. Curtin, Prudential, secretary; Paul Goodman, Union Central, Joseph L. Bachman, Manhattan Life, Albert Dittman, Northeastern, E. J. McCamphill, Aetna Life, and Murray Waldman, Security Mutual Life, executive committee members for three years. Officers will be elected in May and take office in June.

Edward King, president of Hooper-Holmes Bureau, Inc., spoke at the April luncheon meeting. He said his company received an average of only one complaint a month from persons under investigation. The company, operating on a policy of not backing down, has been to court over two complaints, winning one case and losing the other. Hooper-Holmes carries insurance to cover itself in these cases, he said.

Jefferson Standard Law Post to D. Q. Taylor

Donald Q. Taylor has been appointed assistant general counsel of Jefferson Standard Life's newly-formed legal department, effective May 1. Mr. Taylor has been engaged in private law practice in Louisville since 1937. He is vice-chairman of the life insurance law committee of American Bar Assn. He is the son of the late Charles G. Taylor, who was president of Metropolitan Life at the time of his death in 1953.

Commonwealth's '54 Sales in Ky. Exceed \$85 Million

Commonwealth Life's sales of ordinary and weekly premium insurance in Kentucky in 1954 totaled \$85,143,063. According to the company, this exceeded the combined sales in Kentucky for any other two life insurers.

The Kentucky new business total represents a gain over 1953 of \$31,476,346, exceeding the combined increase of the next two companies. Of 135 life insurers now operating in Kentucky, Commonwealth is the leader in insurance in force with \$375,235,459.

P. F. Mann to Bankers, Ia.

Paul F. Mann has been named manager of a new Bankers Life of Iowa agency at San Angelo, Tex.

Mr. Mann originally joined Bankers in 1948 as an agent at San Antonio. The following year he became general agent at San Angelo for Western Reserve Life, later purchased by Great National Life. He is a past president of San Angelo life underwriters and A & H associations, and also has served as a director of the state A&H association. He currently is president of Southwest Texas General Agents & Managers Assn.

Chicago Directory Printed

Chicago A&H Assn. has gotten out its directory for 1954-1955. In it are listed the officers, all the members, together with their company affiliations and addresses, and the constitution of the association.

'54 Year of Gains for Fidelity Life, Illinois

Fidelity Life of Illinois had one of its greatest years in 1954, insurance in force increasing to \$70,506,074, a gain of \$2,648,723.

Assets increased to \$19,501,072, up \$857,731. Contingency reserves and unassigned funds rose to \$2,306,089.

Benefit payments of \$1,106,292 brought the total of such payments since organization to \$48,373,221. The mortality ratio of 41.4% was the lowest in the company's history. The 1955 dividend scale will result in an increase of approximately 50% on current policies and 100% on old policies.

N. C. Law Prohibits Survivorship Funds

The North Carolina legislature has enacted a law which prohibits survivorship funds in life insurance policies. The purpose of the law is to prevent what one legislator termed "Russian roulette" type policies, in which 15 to 20 persons contribute the premiums of a life insurance policy and the one who lives the longest collects. It also prohibits policies

which provide for payment of benefits on the death of a person not specifically named in the policy.

Wynn Heads W. Va. Agency for Midland Mutual Life

Midland Mutual Life has appointed W. Phil Wynn general agent at Bluefield, W. Va.

Mr. Wynn formerly was district manager for Jefferson Standard Life. He had previous experience with Peoples Life and Pacific Mutual Life.

Sales Set March Record

Northwestern Mutual Life had the largest March sales in its history with \$54.5 million of paid for, a 14% gain over last year. For the first quarter, the company sold nearly \$144 million to top the previous high made last year by 5.6%.

Mutual Benefit's Taxes Decreased

Because of the insurance tax relief laws of 1945 and 1950, Mutual Benefit Life this year will pay \$413,068 less in franchise taxes to the city of Newark than it paid last year. Prudential's franchise tax bill will be \$171,845 more this year than last.

EVERYONE'S TALKING!

OUR GENERAL AGENTS—
ABOUT CROWN LIFE'S

- Lower rates
- New Policy Plans
- Greater Opportunities



BROKERS AND SURPLUS WRITERS — ABOUT CROWN LIFE'S

- Ability to provide the extra services they need.

POLICY OWNERS — ABOUT CROWN LIFE'S

- Low cost protection
- Understandable policies
- Our outstanding record of achievement

For comparisons at a glance — ask for Crown Life's dial-a-rate card — rates at all ages for most plans with a flick of the finger.

We are talking about further expansion.

CROWN LIFE
INSURANCE COMPANY
HOME OFFICE, TORONTO, CANADA

Over One Billion in force in our 53rd year

Licensed in: Alabama, Alaska, Arizona, Arkansas, California, Colorado, District of Columbia, Florida, Georgia, Hawaii, Idaho, Indiana, Kansas, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, New Jersey, New Mexico, North Dakota, Ohio, Oregon, Pennsylvania, Puerto Rico, South Carolina, Tennessee, Texas, Vermont and Washington.



James E. Gilles

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Ohio Farm Bureau Life Opens Department Store Insurance Sales Counter

WASHINGTON, D. C.—Ohio Farm Bureau Life this week began selling life insurance here over a department store counter. Sales counters for the Farm Bureau life and property companies were opened in the Hecht Co. stores in this area.

"For the first time, all forms of insurance will be sold just as are shoes, dresses, or nylons," stated Bowman Doss, executive vice-president of the Farm Bureau companies. "The department store sales technique will make our services available to more people," he said. "Many will stop in at Hecht's to pick up policies or talk with our agents, whereas it wouldn't occur to them to visit a neighborhood office or thumb through a phone book."

The companies expect to sell 5,000 policies through the new method during the coming year, 25% on the spot and the rest as a result of leads customers give the agents in the store. If successful, Mr. Doss said similar arrangements will be made with other department stores throughout the country.

Agents in the stores will offer policyholder service such as address and beneficiary changes, premium payments and even preparation of claim reports. To boost the service counters will be located on the first floor.

The companies are placing ads in Washington media and sent an announcement to all Hecht's customers. A department store official said the Hecht company has not entered the insurance business but is "simply renting space to the Farm Bureau."

All American Casualty Entry in Life Field OK'd

Entrance of All American Casualty into the life insurance field and removal of its home office from Chicago to suburban Park Ridge was approved at a meeting of stockholders. Robert S. Davis of Ramsey, Ind., prominent in the oil business and owner of radio stations, and L. D. Kern of Delray Beach, Fla., a brother of the late president of All American, M. L. Kern, were elected to the board.

All American's premium income for the first quarter of 1955 was \$339,835, a gain of 69% over the same 1954 period. Started in 1951, the company has been exclusively an A&H insurer.

Equitable, Iowa, Registers Best Sales Month in March

Equitable Life of Iowa registered its greatest single month's production in March with paid business of \$16,512,757, an increase of 7.3% over the same month of 1954. Paid sales for the first three months reached a new high of \$37,945,317, a 14% gain.

The Q. Rice Cowman agency at Harrisburg led all agencies in production during March.

NALU Publishes Revised 'Anti-Tontine' Bill

National Assn. of Life Underwriters has sent, with the current issue of its *Wheelhorse Newsletter*, its "anti-Tontine" bill, including the revision adopted at the midyear meeting at Columbus, O. The change is the insertion of the words "other than a beneficiary" in the last sentence of the bill. The revised bill now reads:

"No life insurance company shall hereafter deliver in this state, as a part of or in combination with any insurance, endowment or annuity con-

tract, any agreement or plan, additional to the rights, dividends, and benefits arising out of any such insurance, endowment, or annuity contract, which provides for the accumulation of profits over a period of years and for payment of all or any part of such accumulated profits only to members or policyholders of a designated group or class who continue as members or policyholders until the end of a specified period of years. Nor shall any such company deliver in this state any individual life insurance policy which provides that on the death of anyone (other than a beneficiary) not specifically named therein, the owner or beneficiary of the policy shall receive the payment or granting of anything of value."

Strike Keeps Railroad Group Plan in News

LOUISVILLE—Going into its fifth week, the strike of both operative and non-operative workers of Louisville & Nashville railroad and its subsidiaries is considered the longest and largest in which the matter of welfare and employee insurance has played a significant role.

The road has made some progress in restoring freight shipments. Strikers, according to reports, are resorting to manhandling reporting workers and to property damage. Many thousands of workers employed by industries on the lines are the chief sufferers, especially coal companies and their workers. Chances of a settlement remain dim.

The L.&N. has refused to install the giant railroad group plan underwritten by Travelers and covering some 500,000 employees. Most principal roads have agreed to the plan.

In an open letter to the President and Congress run as a full page newspaper advertisement, a committee of L.&N. clerks claims the majority of non-operating L.&N. employees does not want to be "forced to contribute to a health and welfare plan which costs each worker \$1.55 more a month than an equally beneficial plan available on a voluntary basis." The ad states "union officials want to force us to contribute to a plan costing more than a voluntary plan offered by L.&N."

Under the union plan underwritten by Travelers the railroads contribute \$3.40 monthly per employee, with an equal employee contribution. The ad notes that of the total, 85 cents would go to a special account, "the purpose of which has never been made clear. We presume it is for some purpose wanted by the union officials."

The L.&N. insurance plan was turned down by union officials. The union contends insurance is a minor strike issue.

NFC Proceedings Mailed

The report of the proceedings of the 68th annual meeting of National Fraternal Congress, held at Atlantic City Sept. 27-30, 1954, has been published and mailed.

Included in the 150-page report are the various constitutional amendments adopted at the Atlantic City meeting. A directory of presidents and secretaries of member societies is appended.

Linton, McHaney SS Speakers

M. Albert Linton, chairman of Provident Mutual Life, will preside at an insurance and economic security luncheon meeting of U. S. Chamber of Commerce at its annual session May 3 in Washington. Powell B. McHaney, president of General American Life, will speak on voluntary individual action.

D. G. Liggett, administrative assistant of Southland Life, addressed a meeting of San Antonio Life Managers Club.

Alabama Passes Law to Boost Premium Tax

Despite opposition from life companies, the Alabama legislature passed a bill to levy a maximum 3% premium tax against out-of-state companies with less than 1% of total assets invested in the state. The tax scale is graduated down to a 2% minimum for companies with 10% or more of total assets invested in Alabama. A one-half of 1% tax will be placed on all domestic company premiums.

The bill, backed by Gov. Folsom, is one of five designed to provide revenue for increased old age pensions. A flat 5% tax on premiums of all domestic and out-of-state companies was proposed when the legislation was introduced. After hearings, the house committee on finance and taxation reported the bill out with the maximum 3% tax on out-of-state life companies and three-tenths of 1% on domestic company premiums.

The former premium tax on out-of-state companies was a 2.5% maximum, graded down to 1.5%.

Charles W. Campbell, vice-president of Prudential, Robert L. Hogg, senior vice-president of Equitable Society, Milton Ellis, assistant vice-president of Metropolitan Life, and James K. Honey, assistant general counsel of Life Insurance Assn. of America, opposed the proposed tax increase before the house and senate finance and taxation committees. They said the Alabama tax might cause other states to follow suit, causing an increase in insurance rates. Out-of-state investors would be discouraged from entering Alabama, and other states' retaliatory laws would hamper growth of Alabama insurance companies.

M. L. Heaton, president of Alabama Fraternal Congress, opposed the bill, saying fraternal is exempt from premium taxes in every state. Only fraternal not regulated by the insurance department will be exempt under the new law.

In effect, the new law will cause about 80% of the out-of-state life companies to pay a 2.9% premium tax based on the amount of Alabama investments. A few will pay 3% and a few will pay less than 2.9%.

Iowa Production Club Elects Pickford President

R. H. Pickford Jr., Northwestern Mutual Life, Cedar Rapids, was elected chairman of Iowa Quarter Million Dollar Club at its annual meeting in Des Moines.

Gerald Malone, New York Life, Ames, was named 1st vice-chairman; Virgil Folkers, Lutheran Mutual Life, Waverly, 2nd vice-chairman, and Norman Ackerman, Equitable Society, Des Moines, secretary.

Conn. SBLI Up 16%

Connecticut savings banks writing life insurance issued a total of \$2,851,451 of ordinary in 1954, an increase of 16%. Life insurance in force rose to \$25,759,681, up 13%. Individual policies in force amount to \$20,459,531; group is \$5,300,150.

The Connecticut SBLI system recently started issuing credit insurance.

Defer Pa. Legislature Dinner

HARRISBURG—Date of the Pennsylvania legislative dinner has been changed to Apr. 25 to permit Gov. Leader to attend. Lt. Gov. Furman and Commissioner Smith also will be guests.

Indiana Sales Caravan Draws 950 at 3 Stops

The annual caravan sales congress sponsored by Indiana Assn. of Life Underwriters made stops in South Bend, Indianapolis and Evansville, drawing an attendance of approximately 950.

Francis Davis, Indianapolis Life general agent at Marion, president of the Indiana association, addressed luncheon sessions and the congress speakers were Lester O. Schriver, managing director of NALU, Stanley Collins, Metropolitan, Buffalo, NALU vice-president, and V. W. Kelley, Amicable Life, San Angelo, president of the Texas association.

The problems faced by agents in Indiana are not the result of inadequate legislation, according to Mr. Davis. "We don't need more laws, we need enforcement of those already on the books."

Mr. Davis reported that in 1953, latest year for which figures are available, there were 425 agents of one credit insurer in the state and they wrote more than \$78 million of new business compared with \$39 million written by the 525 agents of Metropolitan. He charged that a check of insurance department records indicated not one of the agents of the credit insurer completed an approved course of study, as required by Indiana law, for a permanent license. All too often, he continued, there are instances of the many new companies formed in Indiana in the past several years using sales tactics which confuse the public and reflect on the business. He called for resolute opposition to such practices from association members.

Life insurance is the only property which meets all the specifications for "good property," Mr. Kelley averred. He listed the specifications as safety, provision of income for the family if a man dies too soon, or for himself during retirement years.

Mr. Collins declared the debit agent has a particularly important function in the economic system. His prospects are those persons in lower income groups, a class inadequately served by ordinary agents. "Without the services of a debit agent," Mr. Collins stated, "The lower-income groups would have to turn to socialistic methods of finding protection."

Mr. Schriver observed that success comes to the agent who not only knows all the rules of selling and follows them but who also loves his work. Selling is easy, he added, provided a man knows what he is selling and knows what makes people act like human beings.

Kentucky Home Mutual Chalks Up Gains in '54

Kentucky Home Mutual made substantial gains from 1954 operations. Insurance in force at the year-end totaled \$72,426,096, a gain of \$8,609,061. Assets reached \$15,683,236, up from \$14,978,446.

New ordinary sales of more than \$11 million represented an increase of 11%. The benefit payments amounted to \$954,425, bringing the total of such payments since organization to \$26,350,000.

43 Attend N. W. Mutual Seminar

Forty-three Northwestern Mutual Life agents in Illinois, Indiana and Michigan attended an advanced underwriting seminar at St. Joseph, Mich. The new tax laws were discussed. Heading the staff from the home office were William B. Minehan, secretary; Verne J. Arends, assistant secretary; and Charles B. McCaffrey, director of advanced training.

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LEO J. FOX

**I sold \$846,000
in January**

Fond du Lac, Wisconsin
February 1, 1955

Mr. Chas. E. Becker, President
Franklin Life Insurance Company
Springfield, Illinois

Dear Mr. Becker:

January has again been one of my record months of personal production with a total volume of \$846,000. I would like to emphasize that \$831,000 of this production was PPIP and \$15,000 JISP. In other words, the entire amount was written on our exclusive Insured Savings Plans.

This may seem like a tremendous volume for one month. However, it would not have been possible were it not for our famous exclusive Insured Savings Contracts, which have an outstanding appeal to the buying public. I find that our exclusive plans are especially attractive because of their flexibility to provide for any emergencies that may arise before actual maturity dates.

Since joining the Wisconsin Division of our great Company I have had other exciting months. The records show the following:

September 1951.....	Volume \$168,250
October 1952.....	Volume \$943,000
September 1953.....	Volume \$256,000
January 1954.....	Volume \$512,500
January 1955.....	Volume \$846,000

The records will also show that in all these sales listed above there has been no group, term, salary savings, or pension trusts. Each case is on an individual life paid for on an annual basis—and a substantial amount prepaid several years; in some cases paid in full.

I am especially proud of my persistency, which was 100% in 1952 and 99% in 1953 and 1954, which indicates again the real value placed upon our Franklin exclusive contracts by our clients.

It certainly has been my good fortune to become associated with the Friendly Franklin—a Company whose merchandise has enabled me to make friends out of my clients.

Sincerely,

Leo J. Fox, Associate General Agent



The Friendly
FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT SPRINGFIELD, ILLINOIS
DISTINGUISHED SERVICE SINCE 1884

The largest legal reserve stock life insurance company in the U.S. devoted exclusively to the underwriting of Ordinary and Annuity plans
Nearly One Billion Eight Hundred Million Dollars of Insurance in Force



They're going to have a baby...

THIS COUPLE have recently learned that their baby is on the way. Already, with the help of their doctor, they are planning for the welfare of the mother-to-be . . . and the arrival of a healthy child.

Thanks to the safeguards with which medical science has surrounded pregnancy and childbirth, the chances are better than ever that prospective parents can now realize their great expectations. In fact, infant mortality today has been cut to 28 per 1,000 live births. Only 30 years ago, it was 71.7 per 1,000.

The record for mothers is even better. As recently as 1941, there were 29 maternal deaths among every 10,000 live births. Today, the rate has plummeted to less than seven deaths. These great gains have been made even though the number of births in recent years has exceeded three and a half million annually . . . an increase of almost 50 percent since 1941.

An important factor in achieving this proud record has been the growing awareness of the importance of medical care *started early and continued throughout pregnancy.*

So, if a baby is expected in your family, here are some of the things the expectant mother can do:

1. Take a calm, realistic and happy attitude about pregnancy. Should anything upset you, take your questions to your doctor. He wants to help you face pregnancy as a normal, joyous state.
2. Follow your doctor's advice about periodic medical examinations, special diagnostic tests and particularly about rest, exercise, diet and weight control.
3. Plan, if possible, to have your baby in a hospital where you will have the most modern medical and nursing care. It is wise to make hospital reservations promptly . . . for today, 9 out of every 10 mothers go to hospitals to have their babies.

The husband, too, can help his wife over the months before the baby comes. The arrival of a new child is a most important event in family life . . . as important to the husband as to the wife. When home duties are shared, many problems fade away.

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(A MUTUAL COMPANY)

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This advertisement is one of a continuing series sponsored by Metropolitan in the interest of our national health and welfare. It is appearing in two colors in magazines with a total circulation in excess of 31,000,000 including Collier's, Time, Newsweek, Saturday Evening Post, Ladies' Home Journal, Good Housekeeping, McCall's, Woman's Home Companion, National Geographic.